

**MEDI-CAL
MAY 2012
LOCAL ASSISTANCE ESTIMATE
for
FISCAL YEARS
2011-12 and 2012-13**

**OTHER
ADMINISTRATION**

Fiscal Forecasting and Data Management Branch
State Department of Health Care Services
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EDMUND G. BROWN JR.
Governor
State of California

Diana Dooley
Secretary
California Health and Human Services Agency

Toby Douglas
Director
Department of Health Care Services

OTHER ADMINISTRATION POLICY CHANGE SUMMARY

NO.	POLICY CHANGE TITLE	FISCAL YEAR 2011-12		FISCAL YEAR 2012-13	
		TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
CDHS					
1	MEDI-CAL ADMINISTRATIVE ACTIVITIES	\$194,058,000	\$0	\$194,058,000	\$0
2	BTR—LIHP - ADMIN COSTS	\$9,503,000	\$0	\$387,998,000	\$0
3	CCS CASE MANAGEMENT	\$144,546,000	\$58,511,000	\$145,579,000	\$58,960,000
4	MH/UCD—HCCI - ADMIN COSTS	\$36,962,000	\$0	\$15,906,000	\$0
5	EPSDT CASE MANAGEMENT	\$33,718,000	\$11,871,300	\$33,718,000	\$11,871,300
6	POSTAGE & PRINTING	\$13,464,000	\$6,671,200	\$17,887,000	\$8,883,700
7	MIS/DSS CONTRACT	\$12,378,000	\$3,262,300	\$11,555,000	\$3,056,500
8	ADHC TRANSITION-ADMINISTRATION	\$11,388,000	\$5,694,000	\$1,800,000	\$900,000
9	LITIGATION RELATED SERVICES	\$9,275,000	\$4,637,500	\$10,442,000	\$5,221,000
10	ARRA HITECH INCENTIVE PROGRAM	\$3,952,000	\$395,000	\$6,780,000	\$653,000
11	MEDI-CAL RECOVERY CONTRACT	\$6,826,000	\$1,707,000	\$5,812,000	\$1,453,000
12	CA-MMIS TAKEOVER & REPLACEMENT OVERSIGHT	\$4,051,000	\$914,600	\$5,143,000	\$616,200
13	COORDINATED CARE MANAGEMENT PILOTS	\$5,727,000	\$2,863,500	\$3,600,000	\$1,800,000
14	MEDI-CAL ELIGIBILITY DATA SYSTEM (MEDS)	\$6,255,000	\$1,977,300	\$6,566,000	\$2,075,500
15	CA-MMIS TAKEOVER OTHER STATE TRANSITION COSTS	\$3,771,000	\$451,400	\$3,736,000	\$447,900
16	SSA COSTS FOR HEALTH COVERAGE INFO.	\$1,501,000	\$750,500	\$1,760,000	\$880,000
17	MMA - DSH ANNUAL INDEPENDENT AUDIT	\$1,200,000	\$600,000	\$1,200,000	\$600,000
18	PREVENTION OF CHRONIC DISEASE GRANT PROJECT	\$1,128,000	\$0	\$2,125,000	\$0
19	SAN DIEGO CO. ADMINISTRATIVE ACTIVITIES	\$950,000	\$950,000	\$950,000	\$950,000
20	MEDICARE BUY-IN QUALITY REVIEW PROJECT	\$667,000	\$333,500	\$2,000,000	\$1,000,000
21	POSTAGE AND PRINTING - THIRD PARTY LIAB.	\$639,000	\$319,500	\$611,000	\$305,500
22	CCT ENROLLMENT-ADMIN COSTS	\$50,000	\$0	\$689,000	\$0
23	HEALTH CARE OPTIONS CONSULTANT COSTS	\$315,000	\$157,500	\$360,000	\$180,000
24	RATE STUDIES FOR MAIC AND AAC VENDOR	\$79,000	\$39,500	\$1,000,000	\$500,000
26	HIPAA CAPITATION PAYMENT REPORTING PROJECT	\$300,000	\$300,000	\$1,000,000	\$250,000

OTHER ADMINISTRATION POLICY CHANGE SUMMARY

NO.	POLICY CHANGE TITLE	FISCAL YEAR 2011-12		FISCAL YEAR 2012-13	
		TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
CDHS					
27	ENCRYPTION OF PHI DATA	\$980,000	\$490,000	\$250,000	\$125,000
28	MIS/DSS CONTRACT REPROCUREMENT SERVICES	\$125,000	\$31,300	\$250,000	\$62,500
29	PEDIATRIC PALLIATIVE CARE WAIVER EVALUATION	\$175,000	\$87,500	\$181,000	\$90,500
30	RATE STUDY FOR PHYSICIAN-ADMINISTERED DRUGS	\$204,000	\$102,000	\$0	\$0
31	Q5i AUTOMATED DATA SYSTEM ACQUISTION	\$145,000	\$72,500	\$87,000	\$43,500
32	MITA	\$83,000	\$8,300	\$167,000	\$16,700
33	EPOCRATES	\$126,000	\$63,000	\$119,000	\$59,500
34	CCS CASE MANAGEMENT SUPPLEMENTAL PAYMENT	\$0	\$0	\$100,000	\$0
35	TAR POSTAGE	\$95,000	\$47,500	\$90,000	\$45,000
36	KATIE A. V. DIANA BONTA SPECIAL MASTER	\$90,000	\$45,000	\$100,000	\$50,000
37	EMILY Q. SPECIAL MASTER	\$18,000	\$9,000	\$0	\$0
38	DISEASE MANAGEMENT PROGRAM	\$113,000	\$56,500	\$0	\$0
63	SHIFT OF HEALTHY FAMILIES CHILDREN TO MEDI-CAL	\$0	\$0	\$27,888,000	\$9,760,800
65	MEDI-CAL INPATIENT SERVICES FOR INMATES	\$626,000	\$0	\$560,000	\$0
67	REFUNDS ON ACTS OF FRAUD - ADMIN	\$0	-\$45,942,000	\$0	\$0
68	FY 2012-13 FAMILY PACT EVALUATION	\$0	\$0	\$1,718,000	\$859,000
69	FAMILY PACT PROGRAM ADMIN.	\$0	\$0	\$724,000	\$362,000
71	CCI - DUAL ELIGIBLE DEMONSTRATION PROJECT	\$405,000	\$202,500	\$4,400,000	\$731,500
72	MEDS INTEGRATION INTO CALHEERS	\$0	\$0	\$1,607,000	\$160,700
73	CALHEERS DEVELOPMENT	\$800,000	\$80,000	\$10,468,000	\$1,046,800
	CDHS SUBTOTAL	\$506,688,000	\$57,759,500	\$910,984,000	\$114,017,100
OTHER DEPARTMENTS					
39	PERSONAL CARE SERVICES	\$231,641,000	\$0	\$258,376,000	\$0
40	HEALTH RELATED ACTIVITIES	\$196,148,000	\$0	\$198,581,000	\$0
41	DEPARTMENT OF MENTAL HEALTH ADMIN. COSTS	\$168,646,000	\$0	\$165,883,000	\$0

OTHER ADMINISTRATION POLICY CHANGE SUMMARY

NO.	POLICY CHANGE TITLE	FISCAL YEAR 2011-12		FISCAL YEAR 2012-13	
		TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
OTHER DEPARTMENTS					
42	CDDS ADMINISTRATIVE COSTS	\$36,992,000	\$0	\$41,388,000	\$0
43	MATERNAL AND CHILD HEALTH	\$35,783,000	\$0	\$26,519,000	\$0
44	HEALTH CARE PROGRAM FOR CHILDREN IN FOSTER CARE	\$19,540,000	\$0	\$18,150,000	\$0
45	ADMINISTRATIVE COSTS FOR CCT	\$1,200,000	\$0	\$3,537,000	\$0
46	FFP FOR DEPARTMENT OF PUBLIC HEALTH SUPPORT COSTS	\$15,281,000	\$0	\$14,360,000	\$0
47	CLPP CASE MANAGEMENT SERVICES	\$5,575,000	\$0	\$4,200,000	\$0
48	DEPARTMENT OF SOCIAL SERVICES ADMIN COST	\$4,583,000	\$0	\$5,563,000	\$0
49	DRUG MEDI-CAL - CDADP ADMIN.	\$4,019,000	\$0	\$0	\$0
50	DEPARTMENT OF AGING ADMINISTRATIVE COSTS	\$3,152,000	\$0	\$3,140,000	\$0
51	SINGLE POINT OF ENTRY - MEDI-CAL/HFP	\$2,055,000	\$0	\$1,796,000	\$0
52	VETERANS BENEFITS	\$956,000	\$0	\$1,956,000	\$0
53	OUTREACH - CHILDREN	\$1,626,000	\$0	\$1,220,000	\$0
54	CDPH I&E PROGRAM AND EVALUATION	\$1,791,000	\$0	\$1,799,000	\$0
55	FAMILY PACT EVALUATION	\$1,639,000	\$0	\$532,000	\$0
56	CDDS DENTAL SERVICES	\$609,000	\$609,000	\$1,270,000	\$1,270,000
57	KIT FOR NEW PARENTS	\$1,029,000	\$0	\$1,017,000	\$0
58	FPACT SUPPORT, PROVIDER EDUC. & CLIENT OUTREACH	\$595,000	\$0	\$206,000	\$0
59	CHHS AGENCY HIPAA FUNDING	\$651,000	\$0	\$651,000	\$0
60	MERIT SYSTEM SERVICES FOR COUNTIES	\$209,000	\$104,500	\$184,000	\$92,000
61	HEALTH-E APP	\$17,000	\$0	\$0	\$0
62	PIA EYEWEAR COURIER SERVICE	\$336,000	\$168,000	\$268,000	\$134,000
66	COMMUNITY FIRST CHOICE OPTION-ADMIN	\$318,000	\$0	\$1,907,000	\$0
70	CCI CDA ADMIN COST-HICAP	\$0	\$0	\$150,000	\$0
74	QUITLINE ADMINISTRATIVE SERVICES	\$0	\$0	\$1,000,000	\$0
76	DEPARTMENT OF STATE HOSPITALS ADMIN. COSTS	\$0	\$0	\$1,147,000	\$0

OTHER ADMINISTRATION POLICY CHANGE SUMMARY

NO.	POLICY CHANGE TITLE	FISCAL YEAR 2011-12		FISCAL YEAR 2012-13	
		TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
	OTHER DEPARTMENTS				
	OTHER DEPARTMENTS SUBTOTAL	\$734,391,000	\$881,500	\$754,800,000	\$1,496,000
	GRAND TOTAL	\$1,241,079,000	\$58,641,000	\$1,665,784,000	\$115,513,100

**COMPARISON OF FISCAL IMPACTS OF OTHER ADMINISTRATION POLICY CHANGES
MAY 2012 ESTIMATE COMPARED TO APPROPRIATION AND NOVEMBER 2011 ESTIMATE
FISCAL YEAR 2011-12**

NOV. PC #	MAY PC #	POLICY CHANGE TITLE	2011-12 APPROPRIATION		NOV. 2011 EST. FOR 2011-12		MAY 2012 EST. FOR 2011-12		DIFFERENCE MAY TO APPROPRIATION		DIFFERENCE MAY TO NOVEMBER	
			TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
CDHS												
1	1	MEDI-CAL ADMINISTRATIVE ACTIVITIES	\$291,000,000	\$0	\$274,302,000	\$0	\$194,058,000	\$0	-\$96,942,000	\$0	-\$80,244,000	\$0
2	2	BTR—LIHP - ADMIN COSTS	\$166,250,000	\$0	\$166,250,000	\$0	\$9,503,000	\$0	-\$156,747,000	\$0	-\$156,747,000	\$0
3	3	CCS CASE MANAGEMENT	\$144,624,000	\$58,550,000	\$144,664,000	\$58,570,000	\$144,546,000	\$58,511,000	-\$78,000	-\$39,000	-\$118,000	-\$59,000
4	4	MH/UCD—HCCI - ADMIN COSTS	\$80,125,000	\$0	\$68,888,000	\$0	\$36,962,000	\$0	-\$43,163,000	\$0	-\$31,926,000	\$0
5	5	EPSDT CASE MANAGEMENT	\$33,718,000	\$11,871,250	\$33,718,000	\$11,871,250	\$33,718,000	\$11,871,250	\$0	\$0	\$0	\$0
6	6	POSTAGE & PRINTING	\$12,896,000	\$6,327,200	\$13,046,000	\$6,402,200	\$13,464,000	\$6,671,200	\$568,000	\$344,000	\$418,000	\$269,000
7	7	MIS/DSS CONTRACT	\$12,594,000	\$3,316,250	\$13,001,000	\$3,418,000	\$12,378,000	\$3,262,250	-\$216,000	-\$54,000	-\$623,000	-\$155,750
8	8	ADHC TRANSITION-ADMINISTRATION	\$0	\$0	\$8,786,000	\$4,518,500	\$11,388,000	\$5,694,000	\$11,388,000	\$5,694,000	\$2,602,000	\$1,175,500
9	9	LITIGATION RELATED SERVICES	\$9,320,000	\$4,660,000	\$8,933,000	\$4,466,500	\$9,275,000	\$4,637,500	-\$45,000	-\$22,500	\$342,000	\$171,000
10	10	ARRA HITECH INCENTIVE PROGRAM	\$13,117,000	\$1,311,000	\$7,188,000	\$719,000	\$3,952,000	\$395,000	-\$9,165,000	-\$916,000	-\$3,236,000	-\$324,000
11	11	MEDI-CAL RECOVERY CONTRACT	\$7,151,000	\$1,788,000	\$6,951,000	\$1,739,000	\$6,826,000	\$1,707,000	-\$325,000	-\$81,000	-\$125,000	-\$32,000
12	12	CA-MMIS TAKEOVER & REPLACEMENT OVERSIGHT	\$12,517,000	\$1,625,850	\$6,732,000	\$1,180,800	\$4,051,000	\$914,550	-\$8,466,000	-\$711,300	-\$2,681,000	-\$266,250
13	13	COORDINATED CARE MANAGEMENT PILOTS	\$7,451,000	\$3,725,500	\$6,425,000	\$3,212,500	\$5,727,000	\$2,863,500	-\$1,724,000	-\$862,000	-\$698,000	-\$349,000
14	14	MEDI-CAL ELIGIBILITY DATA SYSTEM (MEDS)	\$6,424,000	\$2,198,850	\$6,091,000	\$2,093,100	\$6,255,000	\$1,977,250	-\$169,000	-\$221,600	\$164,000	-\$115,850
15	15	CA-MMIS TAKEOVER OTHER STATE TRANSITION CI	\$4,524,000	\$1,204,250	\$4,799,000	\$1,277,250	\$3,771,000	\$451,400	-\$753,000	-\$752,850	-\$1,028,000	-\$825,850
16	16	SSA COSTS FOR HEALTH COVERAGE INFO.	\$1,600,000	\$800,000	\$1,637,000	\$818,500	\$1,501,000	\$750,500	-\$99,000	-\$49,500	-\$136,000	-\$68,000
17	17	MMA - DSH ANNUAL INDEPENDENT AUDIT	\$1,200,000	\$600,000	\$1,200,000	\$600,000	\$1,200,000	\$600,000	\$0	\$0	\$0	\$0
18	18	PREVENTION OF CHRONIC DISEASE GRANT PROJE	\$0	\$0	\$1,107,000	\$0	\$1,128,000	\$0	\$1,128,000	\$0	\$21,000	\$0
19	19	SAN DIEGO CO. ADMINISTRATIVE ACTIVITIES	\$950,000	\$950,000	\$950,000	\$950,000	\$950,000	\$950,000	\$0	\$0	\$0	\$0
20	20	MEDICARE BUY-IN QUALITY REVIEW PROJECT	\$1,000,000	\$500,000	\$667,000	\$333,500	\$667,000	\$333,500	-\$333,000	-\$166,500	\$0	\$0
21	21	POSTAGE AND PRINTING - THIRD PARTY LIAB.	\$495,000	\$247,500	\$593,000	\$296,500	\$639,000	\$319,500	\$144,000	\$72,000	\$46,000	\$23,000
22	22	CCT ENROLLMENT-ADMIN COSTS	\$400,000	\$0	\$589,000	\$0	\$50,000	\$0	-\$350,000	\$0	-\$539,000	\$0
23	23	HEALTH CARE OPTIONS CONSULTANT COSTS	\$722,000	\$361,000	\$506,000	\$253,000	\$315,000	\$157,500	-\$407,000	-\$203,500	-\$191,000	-\$95,500
24	24	RATE STUDIES FOR MAIC AND AAC VENDOR	\$1,000,000	\$500,000	\$417,000	\$208,500	\$79,000	\$39,500	-\$921,000	-\$460,500	-\$338,000	-\$169,000
25		ELECTRONIC ASSET VERIFICATION PROGRAM	\$5,200,000	\$2,600,000	\$400,000	\$200,000	\$0	\$0	-\$5,200,000	-\$2,600,000	-\$400,000	-\$200,000
26	26	HIPAA CAPITATION PAYMENT REPORTING PROJEC	\$320,000	\$32,000	\$320,000	\$32,000	\$300,000	\$300,000	-\$20,000	\$268,000	-\$20,000	\$268,000
27	27	ENCRYPTION OF PHI DATA	\$200,000	\$100,000	\$250,000	\$125,000	\$980,000	\$490,000	\$780,000	\$390,000	\$730,000	\$365,000
28	28	MIS/DSS CONTRACT REPROCUREMENT SERVICES	\$0	\$0	\$250,000	\$62,500	\$125,000	\$31,250	\$125,000	\$31,250	-\$125,000	-\$31,250
29	29	PEDIATRIC PALLIATIVE CARE WAIVER EVALUATION	\$176,000	\$88,000	\$204,000	\$102,000	\$175,000	\$87,500	-\$1,000	-\$500	-\$29,000	-\$14,500
30	30	RATE STUDY FOR PHYSICIAN-ADMINISTERED DRUG	\$0	\$0	\$204,000	\$102,000	\$204,000	\$102,000	\$204,000	\$102,000	\$0	\$0

**COMPARISON OF FISCAL IMPACTS OF OTHER ADMINISTRATION POLICY CHANGES
MAY 2012 ESTIMATE COMPARED TO APPROPRIATION AND NOVEMBER 2011 ESTIMATE
FISCAL YEAR 2011-12**

NOV. PC #	MAY PC #	POLICY CHANGE TITLE	2011-12 APPROPRIATION		NOV. 2011 EST. FOR 2011-12		MAY 2012 EST. FOR 2011-12		DIFFERENCE MAY TO APPROPRIATION		DIFFERENCE MAY TO NOVEMBER	
			TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
CDHS												
31	31	Q5i AUTOMATED DATA SYSTEM ACQUISTION	\$99,000	\$49,500	\$174,000	\$87,000	\$145,000	\$72,500	\$46,000	\$23,000	-\$29,000	-\$14,500
32	32	MITA	\$225,000	\$22,500	\$167,000	\$16,700	\$83,000	\$8,300	-\$142,000	-\$14,200	-\$84,000	-\$8,400
33	33	EPOCRATES	\$126,000	\$63,000	\$126,000	\$63,000	\$126,000	\$63,000	\$0	\$0	\$0	\$0
34		CCS CASE MANAGEMENT SUPPLEMENTAL PAYMEI	\$100,000	\$0	\$100,000	\$0	\$0	\$0	-\$100,000	\$0	-\$100,000	\$0
35	35	TAR POSTAGE	\$110,000	\$55,000	\$95,000	\$47,500	\$95,000	\$47,500	-\$15,000	-\$7,500	\$0	\$0
36	36	KATIE A. V. DIANA BONTA SPECIAL MASTER	\$100,000	\$50,000	\$60,000	\$30,000	\$90,000	\$45,000	-\$10,000	-\$5,000	\$30,000	\$15,000
37	37	EMILY Q. SPECIAL MASTER	\$20,000	\$10,000	\$18,000	\$9,000	\$18,000	\$9,000	-\$2,000	-\$1,000	\$0	\$0
38	38	DISEASE MANAGEMENT PROGRAM	\$125,000	\$62,500	\$125,000	\$62,500	\$113,000	\$56,500	-\$12,000	-\$6,000	-\$12,000	-\$6,000
65		MEDI-CAL INPATIENT SERVICES FOR INMATES	\$0	\$0	\$0	\$0	\$626,000	\$0	\$626,000	\$0	\$626,000	\$0
67		REFUNDS ON ACTS OF FRAUD - ADMIN	\$0	\$0	\$0	\$0	\$0	-\$45,942,000	\$0	-\$45,942,000	\$0	-\$45,942,000
71		CCI - DUAL ELIGIBLE DEMONSTRATION PROJECT	\$0	\$0	\$0	\$0	\$405,000	\$202,500	\$405,000	\$202,500	\$405,000	\$202,500
73		CALHEERS DEVELOPMENT	\$0	\$0	\$0	\$0	\$800,000	\$80,000	\$800,000	\$80,000	\$800,000	\$80,000
		RECONCILIATION WITH BUDGET ACT - SPECIAL FU	\$5,010,000	\$0	\$0	\$0	\$0	\$0	-\$5,010,000	\$0	\$0	\$0
		RECONCILIATION WITH THE BUDGET ACT OF 2011	-\$288,365,000	-\$144,145,450	\$0	\$0	\$0	\$0	\$288,365,000	\$144,145,450	\$0	\$0
		CDHS SUBTOTAL	\$532,524,000	-\$40,476,300	\$779,933,000	\$103,867,300	\$506,688,000	\$57,759,450	-\$25,836,000	\$98,235,750	-\$273,245,000	-\$46,107,850
OTHER DEPARTMENTS												
39	39	PERSONAL CARE SERVICES	\$254,220,000	\$0	\$251,338,000	\$0	\$231,641,000	\$0	-\$22,579,000	\$0	-\$19,697,000	\$0
40	40	HEALTH RELATED ACTIVITIES	\$203,503,000	\$0	\$202,522,000	\$0	\$196,148,000	\$0	-\$7,355,000	\$0	-\$6,374,000	\$0
41	41	DEPARTMENT OF MENTAL HEALTH ADMIN. COSTS	\$127,620,000	\$0	\$163,520,000	\$0	\$168,646,000	\$0	\$41,026,000	\$0	\$5,126,000	\$0
42	42	CDDS ADMINISTRATIVE COSTS	\$57,475,000	\$0	\$39,857,000	\$0	\$36,992,000	\$0	-\$20,483,000	\$0	-\$2,865,000	\$0
43	43	MATERNAL AND CHILD HEALTH	\$37,751,000	\$0	\$37,795,000	\$0	\$35,783,000	\$0	-\$1,968,000	\$0	-\$2,012,000	\$0
44	44	HEALTH CARE PROGRAM FOR CHILDREN IN FOSTE	\$19,462,000	\$0	\$19,461,000	\$0	\$19,540,000	\$0	\$78,000	\$0	\$79,000	\$0
45	45	ADMINISTRATIVE COSTS FOR CCT	\$10,288,000	\$0	\$14,000,000	\$0	\$1,200,000	\$0	-\$9,088,000	\$0	-\$12,800,000	\$0
46	46	FFP FOR DEPARTMENT OF PUBLIC HEALTH SUPPC	\$7,187,000	\$0	\$11,570,000	\$0	\$15,281,000	\$0	\$8,094,000	\$0	\$3,711,000	\$0
47	47	CLPP CASE MANAGEMENT SERVICES	\$4,200,000	\$0	\$5,575,000	\$0	\$5,575,000	\$0	\$1,375,000	\$0	\$0	\$0
48	48	DEPARTMENT OF SOCIAL SERVICES ADMIN COST	\$5,070,000	\$0	\$5,331,000	\$0	\$4,583,000	\$0	-\$487,000	\$0	-\$748,000	\$0
49	49	DRUG MEDI-CAL - CDADP ADMIN.	\$4,604,000	\$0	\$4,019,000	\$0	\$4,019,000	\$0	-\$585,000	\$0	\$0	\$0
50	50	DEPARTMENT OF AGING ADMINISTRATIVE COSTS	\$3,637,000	\$0	\$3,289,000	\$0	\$3,152,000	\$0	-\$485,000	\$0	-\$137,000	\$0
51	51	SINGLE POINT OF ENTRY - MEDI-CAL/HFP	\$2,147,000	\$0	\$2,135,000	\$0	\$2,055,000	\$0	-\$92,000	\$0	-\$80,000	\$0
52	52	VETERANS BENEFITS	\$956,000	\$0	\$1,956,000	\$0	\$956,000	\$0	\$0	\$0	-\$1,000,000	\$0

**COMPARISON OF FISCAL IMPACTS OF OTHER ADMINISTRATION POLICY CHANGES
MAY 2012 ESTIMATE COMPARED TO APPROPRIATION AND NOVEMBER 2011 ESTIMATE
FISCAL YEAR 2011-12**

NOV. PC #	MAY PC #	POLICY CHANGE TITLE	2011-12 APPROPRIATION		NOV. 2011 EST. FOR 2011-12		MAY 2012 EST. FOR 2011-12		DIFFERENCE MAY TO APPROPRIATION		DIFFERENCE MAY TO NOVEMBER	
			TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
OTHER DEPARTMENTS												
53	53	OUTREACH - CHILDREN	\$1,626,000	\$813,000	\$1,626,000	\$813,000	\$1,626,000	\$0	\$0	-\$813,000	\$0	-\$813,000
54	54	CDPH I&E PROGRAM AND EVALUATION	\$811,000	\$0	\$1,506,000	\$0	\$1,791,000	\$0	\$980,000	\$0	\$285,000	\$0
55	55	FAMILY PACT EVALUATION	\$1,210,000	\$0	\$1,279,000	\$0	\$1,639,000	\$0	\$429,000	\$0	\$360,000	\$0
56	56	CDDS DENTAL SERVICES	\$0	\$0	\$1,241,000	\$1,241,000	\$609,000	\$609,000	\$609,000	\$609,000	-\$632,000	-\$632,000
57	57	KIT FOR NEW PARENTS	\$1,280,000	\$0	\$1,029,000	\$0	\$1,029,000	\$0	-\$251,000	\$0	\$0	\$0
58	58	FPACT SUPPORT, PROVIDER EDUC. & CLIENT OUTI	\$508,000	\$0	\$661,000	\$0	\$595,000	\$0	\$87,000	\$0	-\$66,000	\$0
59	59	CHHS AGENCY HIPAA FUNDING	\$651,000	\$0	\$651,000	\$0	\$651,000	\$0	\$0	\$0	\$0	\$0
60	60	MERIT SYSTEM SERVICES FOR COUNTIES	\$184,000	\$92,000	\$172,000	\$86,000	\$209,000	\$104,500	\$25,000	\$12,500	\$37,000	\$18,500
61	61	HEALTH-E APP	\$21,000	\$0	\$17,000	\$0	\$17,000	\$0	-\$4,000	\$0	\$0	\$0
62	62	PIA EYEWEAR COURIER SERVICE	\$383,000	\$191,500	\$372,000	\$186,000	\$336,000	\$168,000	-\$47,000	-\$23,500	-\$36,000	-\$18,000
66		COMMUNITY FIRST CHOICE OPTION-ADMIN	\$0	\$0	\$0	\$0	\$318,000	\$0	\$318,000	\$0	\$318,000	\$0
		SPD TRANSITION TO MANAGED CARE - CDDS	\$1,769,000	\$0	\$0	\$0	\$0	\$0	-\$1,769,000	\$0	\$0	\$0
OTHER DEPARTMENTS SUBTOTAL			\$746,563,000	\$1,096,500	\$770,922,000	\$2,326,000	\$734,391,000	\$881,500	-\$12,172,000	-\$215,000	-\$36,531,000	-\$1,444,500
OTHER ADMINISTRATION SUBTOTAL			\$1,279,087,000	-\$39,379,800	\$1,550,855,000	\$106,193,300	\$1,241,079,000	\$58,640,950	-\$38,008,000	\$98,020,750	-\$309,776,000	-\$47,552,350
GRAND TOTAL ALL ADMIN. ADJUSTMENTS			\$1,320,289,000	-\$56,170,800	\$1,648,734,000	\$123,471,800	\$1,332,076,000	\$75,919,450	\$11,787,000	\$132,090,250	-\$316,658,000	-\$47,552,350

(1) - If no PC # listed at all then dollars were in Appropriation only.

**COMPARISON OF FISCAL IMPACTS OF OTHER ADMINISTRATION POLICY CHANGES
MAY 2012 ESTIMATE COMPARED TO NOVEMBER 2011 ESTIMATE
FISCAL YEAR 2012-13**

NOV. PC #	MAY PC #	POLICY CHANGE TITLE	NOV. 2011 EST. FOR 2012-13		MAY 2012 EST. FOR 2012-13		DIFFERENCE	
			TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
CDHS								
1	1	MEDI-CAL ADMINISTRATIVE ACTIVITIES	\$254,802,000	\$0	\$194,058,000	\$0	-\$60,744,000	\$0
2	2	BTR—LIHP - ADMIN COSTS	\$231,250,000	\$0	\$387,998,000	\$0	\$156,748,000	\$0
3	3	CCS CASE MANAGEMENT	\$146,853,000	\$59,457,000	\$145,579,000	\$58,960,000	-\$1,274,000	-\$497,000
4	4	MH/UCD—HCCI - ADMIN COSTS	\$5,000,000	\$0	\$15,906,000	\$0	\$10,906,000	\$0
5	5	EPSDT CASE MANAGEMENT	\$33,718,000	\$11,871,250	\$33,718,000	\$11,871,250	\$0	\$0
6	6	POSTAGE & PRINTING	\$13,059,000	\$6,409,700	\$17,887,000	\$8,883,700	\$4,828,000	\$2,474,000
7	7	MIS/DSS CONTRACT	\$11,555,000	\$3,056,500	\$11,555,000	\$3,056,500	\$0	\$0
8	8	ADHC TRANSITION-ADMINISTRATION	\$3,300,000	\$1,650,000	\$1,800,000	\$900,000	-\$1,500,000	-\$750,000
9	9	LITIGATION RELATED SERVICES	\$9,684,000	\$4,842,000	\$10,442,000	\$5,221,000	\$758,000	\$379,000
10	10	ARRA HITECH INCENTIVE PROGRAM	\$5,276,000	\$528,000	\$6,780,000	\$653,000	\$1,504,000	\$125,000
11	11	MEDI-CAL RECOVERY CONTRACT	\$7,217,000	\$1,805,000	\$5,812,000	\$1,453,000	-\$1,405,000	-\$352,000
12	12	CA-MMIS TAKEOVER & REPLACEMENT OVERSIGHT	\$5,131,000	\$615,000	\$5,143,000	\$616,200	\$12,000	\$1,200
13	13	COORDINATED CARE MANAGEMENT PILOTS	\$2,181,000	\$1,090,500	\$3,600,000	\$1,800,000	\$1,419,000	\$709,500
14	14	MEDI-CAL ELIGIBILITY DATA SYSTEM (MEDS)	\$6,395,000	\$2,197,350	\$6,566,000	\$2,075,500	\$171,000	-\$121,850
16	16	SSA COSTS FOR HEALTH COVERAGE INFO.	\$1,760,000	\$880,000	\$1,760,000	\$880,000	\$0	\$0
17	17	MMA - DSH ANNUAL INDEPENDENT AUDIT	\$1,200,000	\$600,000	\$1,200,000	\$600,000	\$0	\$0
18	18	PREVENTION OF CHRONIC DISEASE GRANT PROJE	\$2,186,000	\$0	\$2,125,000	\$0	-\$61,000	\$0
19	19	SAN DIEGO CO. ADMINISTRATIVE ACTIVITIES	\$950,000	\$950,000	\$950,000	\$950,000	\$0	\$0
20	20	MEDICARE BUY-IN QUALITY REVIEW PROJECT	\$2,000,000	\$1,000,000	\$2,000,000	\$1,000,000	\$0	\$0
21	21	POSTAGE AND PRINTING - THIRD PARTY LIAB.	\$509,000	\$254,500	\$611,000	\$305,500	\$102,000	\$51,000
22	22	CCT ENROLLMENT-ADMIN COSTS	\$150,000	\$0	\$689,000	\$0	\$539,000	\$0
23	23	HEALTH CARE OPTIONS CONSULTANT COSTS	\$794,000	\$397,000	\$360,000	\$180,000	-\$434,000	-\$217,000
24	24	RATE STUDIES FOR MAIC AND AAC VENDOR	\$1,000,000	\$500,000	\$1,000,000	\$500,000	\$0	\$0
25		ELECTRONIC ASSET VERIFICATION PROGRAM	\$3,750,000	\$1,875,000	\$0	\$0	-\$3,750,000	-\$1,875,000
27	27	ENCRYPTION OF PHI DATA	\$300,000	\$150,000	\$250,000	\$125,000	-\$50,000	-\$25,000
28	28	MIS/DSS CONTRACT REPROCUREMENT SERVICES	\$250,000	\$62,500	\$250,000	\$62,500	\$0	\$0
29	29	PEDIATRIC PALLIATIVE CARE WAIVER EVALUATION	\$182,000	\$91,000	\$181,000	\$90,500	-\$1,000	-\$500
31	31	Q5i AUTOMATED DATA SYSTEM ACQUISITION	\$99,000	\$49,500	\$87,000	\$43,500	-\$12,000	-\$6,000
32	32	MITA	\$83,000	\$8,300	\$167,000	\$16,700	\$84,000	\$8,400
33	33	EPOCRATES	\$126,000	\$63,000	\$119,000	\$59,500	-\$7,000	-\$3,500

**COMPARISON OF FISCAL IMPACTS OF OTHER ADMINISTRATION POLICY CHANGES
MAY 2012 ESTIMATE COMPARED TO NOVEMBER 2011 ESTIMATE
FISCAL YEAR 2012-13**

NOV. PC #	MAY PC #	POLICY CHANGE TITLE	NOV. 2011 EST. FOR 2012-13		MAY 2012 EST. FOR 2012-13		DIFFERENCE	
			TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
CDHS								
34	34	CCS CASE MANAGEMENT SUPPLEMENTAL PAYMEI	\$100,000	\$0	\$100,000	\$0	\$0	\$0
35	35	TAR POSTAGE	\$95,000	\$47,500	\$90,000	\$45,000	-\$5,000	-\$2,500
36	36	KATIE A. V. DIANA BONTA SPECIAL MASTER	\$100,000	\$50,000	\$100,000	\$50,000	\$0	\$0
63	63	SHIFT OF HEALTHY FAMILIES CHILDREN TO MEDI-C	\$15,497,000	\$7,748,500	\$27,888,000	\$9,760,800	\$12,391,000	\$2,012,300
	15	CA-MMIS TAKEOVER OTHER STATE TRANSITION C	\$0	\$0	\$3,736,000	\$447,900	\$3,736,000	\$447,900
	26	HIPAA CAPITATION PAYMENT REPORTING PROJEC	\$0	\$0	\$1,000,000	\$250,000	\$1,000,000	\$250,000
	65	MEDI-CAL INPATIENT SERVICES FOR INMATES	\$0	\$0	\$560,000	\$0	\$560,000	\$0
	68	FY 2012-13 FAMILY PACT EVALUATION	\$0	\$0	\$1,718,000	\$859,000	\$1,718,000	\$859,000
	69	FAMILY PACT PROGRAM ADMIN.	\$0	\$0	\$724,000	\$362,000	\$724,000	\$362,000
	71	CCI - DUAL ELIGIBLE DEMONSTRATION PROJECT	\$0	\$0	\$4,400,000	\$731,500	\$4,400,000	\$731,500
	72	MEDS INTEGRATION INTO CALHEERS	\$0	\$0	\$1,607,000	\$160,700	\$1,607,000	\$160,700
	73	CALHEERS DEVELOPMENT	\$0	\$0	\$10,468,000	\$1,046,800	\$10,468,000	\$1,046,800
CDHS SUBTOTAL			\$766,552,000	\$108,249,100	\$910,984,000	\$114,017,050	\$144,432,000	\$5,767,950
OTHER DEPARTMENTS								
39	39	PERSONAL CARE SERVICES	\$244,838,000	\$0	\$258,376,000	\$0	\$13,538,000	\$0
40	40	HEALTH RELATED ACTIVITIES	\$207,985,000	\$0	\$198,581,000	\$0	-\$9,404,000	\$0
41	41	DEPARTMENT OF MENTAL HEALTH ADMIN. COSTS	\$163,520,000	\$0	\$165,883,000	\$0	\$2,363,000	\$0
42	42	CDDS ADMINISTRATIVE COSTS	\$44,270,000	\$0	\$41,388,000	\$0	-\$2,882,000	\$0
43	43	MATERNAL AND CHILD HEALTH	\$28,492,000	\$0	\$26,519,000	\$0	-\$1,973,000	\$0
44	44	HEALTH CARE PROGRAM FOR CHILDREN IN FOSTE	\$17,979,000	\$0	\$18,150,000	\$0	\$171,000	\$0
45	45	ADMINISTRATIVE COSTS FOR CCT	\$17,000,000	\$0	\$3,537,000	\$0	-\$13,463,000	\$0
46	46	FFP FOR DEPARTMENT OF PUBLIC HEALTH SUPPC	\$9,889,000	\$0	\$14,360,000	\$0	\$4,471,000	\$0
47	47	CLPP CASE MANAGEMENT SERVICES	\$4,200,000	\$0	\$4,200,000	\$0	\$0	\$0
48	48	DEPARTMENT OF SOCIAL SERVICES ADMIN COST	\$5,563,000	\$0	\$5,563,000	\$0	\$0	\$0
49		DRUG MEDI-CAL - CDADP ADMIN.	\$4,127,000	\$0	\$0	\$0	-\$4,127,000	\$0
50	50	DEPARTMENT OF AGING ADMINISTRATIVE COSTS	\$3,648,000	\$0	\$3,140,000	\$0	-\$508,000	\$0
51	51	SINGLE POINT OF ENTRY - MEDI-CAL/HFP	\$2,087,000	\$0	\$1,796,000	\$0	-\$291,000	\$0
52	52	VETERANS BENEFITS	\$1,956,000	\$0	\$1,956,000	\$0	\$0	\$0
53	53	OUTREACH - CHILDREN	\$1,626,000	\$813,000	\$1,220,000	\$0	-\$406,000	-\$813,000

**COMPARISON OF FISCAL IMPACTS OF OTHER ADMINISTRATION POLICY CHANGES
MAY 2012 ESTIMATE COMPARED TO NOVEMBER 2011 ESTIMATE
FISCAL YEAR 2012-13**

NOV. PC #	MAY PC #	POLICY CHANGE TITLE	NOV. 2011 EST. FOR 2012-13		MAY 2012 EST. FOR 2012-13		DIFFERENCE	
			TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
OTHER DEPARTMENTS								
54	54	CDPH I&E PROGRAM AND EVALUATION	\$1,583,000	\$0	\$1,799,000	\$0	\$216,000	\$0
55	55	FAMILY PACT EVALUATION	\$1,391,000	\$0	\$532,000	\$0	-\$859,000	\$0
56	56	CDDS DENTAL SERVICES	\$1,270,000	\$1,270,000	\$1,270,000	\$1,270,000	\$0	\$0
57	57	KIT FOR NEW PARENTS	\$1,017,000	\$0	\$1,017,000	\$0	\$0	\$0
58	58	FPACT SUPPORT, PROVIDER EDUC. & CLIENT OUTI	\$593,000	\$0	\$206,000	\$0	-\$387,000	\$0
59	59	CHHS AGENCY HIPAA FUNDING	\$651,000	\$0	\$651,000	\$0	\$0	\$0
60	60	MERIT SYSTEM SERVICES FOR COUNTIES	\$184,000	\$92,000	\$184,000	\$92,000	\$0	\$0
62	62	PIA EYEWEAR COURIER SERVICE	\$315,000	\$157,500	\$268,000	\$134,000	-\$47,000	-\$23,500
66		COMMUNITY FIRST CHOICE OPTION-ADMIN	\$0	\$0	\$1,907,000	\$0	\$1,907,000	\$0
70		CCI CDA ADMIN COST-HICAP	\$0	\$0	\$150,000	\$0	\$150,000	\$0
74		QUITLINE ADMINISTRATIVE SERVICES	\$0	\$0	\$1,000,000	\$0	\$1,000,000	\$0
76		DEPARTMENT OF STATE HOSPITALS ADMIN. COST.	\$0	\$0	\$1,147,000	\$0	\$1,147,000	\$0
OTHER DEPARTMENTS SUBTOTAL			\$764,184,000	\$2,332,500	\$754,800,000	\$1,496,000	-\$9,384,000	-\$836,500
OTHER ADMINISTRATION SUBTOTAL			\$1,530,736,000	\$110,581,600	\$1,665,784,000	\$115,513,050	\$135,048,000	\$4,931,450
GRAND TOTAL ALL ADMIN. ADJUSTMENTS			\$1,750,579,000	\$187,250,600	\$1,811,713,000	\$151,907,400	\$61,134,000	-\$35,343,200

**COMPARISON OF FISCAL IMPACTS OF OTHER ADMINISTRATION POLICY CHANGES
CURRENT YEAR COMPARED TO BUDGET YEAR
FISCAL YEARS 2011-12 AND 2012-13**

MAY PC#	POLICY CHANGE TITLE	MAY 2012 EST. FOR 2011-12		MAY 2012 EST. FOR 2012-13		DIFFERENCE	
		TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
CDHS							
1	MEDI-CAL ADMINISTRATIVE ACTIVITIES	\$194,058,000	\$0	\$194,058,000	\$0	\$0	\$0
2	BTR—LIHP - ADMIN COSTS	\$9,503,000	\$0	\$387,998,000	\$0	\$378,495,000	\$0
3	CCS CASE MANAGEMENT	\$144,546,000	\$58,511,000	\$145,579,000	\$58,960,000	\$1,033,000	\$449,000
4	MH/UCD—HCCI - ADMIN COSTS	\$36,962,000	\$0	\$15,906,000	\$0	-\$21,056,000	\$0
5	EPSDT CASE MANAGEMENT	\$33,718,000	\$11,871,250	\$33,718,000	\$11,871,250	\$0	\$0
6	POSTAGE & PRINTING	\$13,464,000	\$6,671,200	\$17,887,000	\$8,883,700	\$4,423,000	\$2,212,500
7	MIS/DSS CONTRACT	\$12,378,000	\$3,262,250	\$11,555,000	\$3,056,500	-\$823,000	-\$205,750
8	ADHC TRANSITION-ADMINISTRATION	\$11,388,000	\$5,694,000	\$1,800,000	\$900,000	-\$9,588,000	-\$4,794,000
9	LITIGATION RELATED SERVICES	\$9,275,000	\$4,637,500	\$10,442,000	\$5,221,000	\$1,167,000	\$583,500
10	ARRA HITECH INCENTIVE PROGRAM	\$3,952,000	\$395,000	\$6,780,000	\$653,000	\$2,828,000	\$258,000
11	MEDI-CAL RECOVERY CONTRACT	\$6,826,000	\$1,707,000	\$5,812,000	\$1,453,000	-\$1,014,000	-\$254,000
12	CA-MMIS TAKEOVER & REPLACEMENT OVERSIGHT	\$4,051,000	\$914,550	\$5,143,000	\$616,200	\$1,092,000	-\$298,350
13	COORDINATED CARE MANAGEMENT PILOTS	\$5,727,000	\$2,863,500	\$3,600,000	\$1,800,000	-\$2,127,000	-\$1,063,500
14	MEDI-CAL ELIGIBILITY DATA SYSTEM (MEDS)	\$6,255,000	\$1,977,250	\$6,566,000	\$2,075,500	\$311,000	\$98,250
15	CA-MMIS TAKEOVER OTHER STATE TRANSITION COST	\$3,771,000	\$451,400	\$3,736,000	\$447,900	-\$35,000	-\$3,500
16	SSA COSTS FOR HEALTH COVERAGE INFO.	\$1,501,000	\$750,500	\$1,760,000	\$880,000	\$259,000	\$129,500
17	MMA - DSH ANNUAL INDEPENDENT AUDIT	\$1,200,000	\$600,000	\$1,200,000	\$600,000	\$0	\$0
18	PREVENTION OF CHRONIC DISEASE GRANT PROJECT	\$1,128,000	\$0	\$2,125,000	\$0	\$997,000	\$0
19	SAN DIEGO CO. ADMINISTRATIVE ACTIVITIES	\$950,000	\$950,000	\$950,000	\$950,000	\$0	\$0
20	MEDICARE BUY-IN QUALITY REVIEW PROJECT	\$667,000	\$333,500	\$2,000,000	\$1,000,000	\$1,333,000	\$666,500
21	POSTAGE AND PRINTING - THIRD PARTY LIAB.	\$639,000	\$319,500	\$611,000	\$305,500	-\$28,000	-\$14,000
22	CCT ENROLLMENT-ADMIN COSTS	\$50,000	\$0	\$689,000	\$0	\$639,000	\$0
23	HEALTH CARE OPTIONS CONSULTANT COSTS	\$315,000	\$157,500	\$360,000	\$180,000	\$45,000	\$22,500
24	RATE STUDIES FOR MAIC AND AAC VENDOR	\$79,000	\$39,500	\$1,000,000	\$500,000	\$921,000	\$460,500
26	HIPAA CAPITATION PAYMENT REPORTING PROJECT	\$300,000	\$300,000	\$1,000,000	\$250,000	\$700,000	-\$50,000
27	ENCRYPTION OF PHI DATA	\$980,000	\$490,000	\$250,000	\$125,000	-\$730,000	-\$365,000
28	MIS/DSS CONTRACT REPROCUREMENT SERVICES	\$125,000	\$31,250	\$250,000	\$62,500	\$125,000	\$31,250

**COMPARISON OF FISCAL IMPACTS OF OTHER ADMINISTRATION POLICY CHANGES
CURRENT YEAR COMPARED TO BUDGET YEAR
FISCAL YEARS 2011-12 AND 2012-13**

MAY PC#	POLICY CHANGE TITLE	MAY 2012 EST. FOR 2011-12		MAY 2012 EST. FOR 2012-13		DIFFERENCE	
		TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
CDHS							
29	PEDIATRIC PALLIATIVE CARE WAIVER EVALUATION	\$175,000	\$87,500	\$181,000	\$90,500	\$6,000	\$3,000
30	RATE STUDY FOR PHYSICIAN-ADMINISTERED DRUGS	\$204,000	\$102,000	\$0	\$0	-\$204,000	-\$102,000
31	Q5i AUTOMATED DATA SYSTEM ACQUISITION	\$145,000	\$72,500	\$87,000	\$43,500	-\$58,000	-\$29,000
32	MITA	\$83,000	\$8,300	\$167,000	\$16,700	\$84,000	\$8,400
33	EPOCRATES	\$126,000	\$63,000	\$119,000	\$59,500	-\$7,000	-\$3,500
34	CCS CASE MANAGEMENT SUPPLEMENTAL PAYMENT	\$0	\$0	\$100,000	\$0	\$100,000	\$0
35	TAR POSTAGE	\$95,000	\$47,500	\$90,000	\$45,000	-\$5,000	-\$2,500
36	KATIE A. V. DIANA BONTA SPECIAL MASTER	\$90,000	\$45,000	\$100,000	\$50,000	\$10,000	\$5,000
37	EMILY Q. SPECIAL MASTER	\$18,000	\$9,000	\$0	\$0	-\$18,000	-\$9,000
38	DISEASE MANAGEMENT PROGRAM	\$113,000	\$56,500	\$0	\$0	-\$113,000	-\$56,500
63	SHIFT OF HEALTHY FAMILIES CHILDREN TO MEDI-CAL	\$0	\$0	\$27,888,000	\$9,760,800	\$27,888,000	\$9,760,800
65	MEDI-CAL INPATIENT SERVICES FOR INMATES	\$626,000	\$0	\$560,000	\$0	-\$66,000	\$0
67	REFUNDS ON ACTS OF FRAUD - ADMIN	\$0	-\$45,942,000	\$0	\$0	\$0	\$45,942,000
68	FY 2012-13 FAMILY PACT EVALUATION	\$0	\$0	\$1,718,000	\$859,000	\$1,718,000	\$859,000
69	FAMILY PACT PROGRAM ADMIN.	\$0	\$0	\$724,000	\$362,000	\$724,000	\$362,000
71	CCI - DUAL ELIGIBLE DEMONSTRATION PROJECT	\$405,000	\$202,500	\$4,400,000	\$731,500	\$3,995,000	\$529,000
72	MEDS INTEGRATION INTO CALHEERS	\$0	\$0	\$1,607,000	\$160,700	\$1,607,000	\$160,700
73	CALHEERS DEVELOPMENT	\$800,000	\$80,000	\$10,468,000	\$1,046,800	\$9,668,000	\$966,800
	CDHS SUBTOTAL	\$506,688,000	\$57,759,450	\$910,984,000	\$114,017,050	\$404,296,000	\$56,257,600
OTHER DEPARTMENTS							
39	PERSONAL CARE SERVICES	\$231,641,000	\$0	\$258,376,000	\$0	\$26,735,000	\$0
40	HEALTH RELATED ACTIVITIES	\$196,148,000	\$0	\$198,581,000	\$0	\$2,433,000	\$0
41	DEPARTMENT OF MENTAL HEALTH ADMIN. COSTS	\$168,646,000	\$0	\$165,883,000	\$0	-\$2,763,000	\$0
42	CDDS ADMINISTRATIVE COSTS	\$36,992,000	\$0	\$41,388,000	\$0	\$4,396,000	\$0
43	MATERNAL AND CHILD HEALTH	\$35,783,000	\$0	\$26,519,000	\$0	-\$9,264,000	\$0
44	HEALTH CARE PROGRAM FOR CHILDREN IN FOSTER C	\$19,540,000	\$0	\$18,150,000	\$0	-\$1,390,000	\$0

**COMPARISON OF FISCAL IMPACTS OF OTHER ADMINISTRATION POLICY CHANGES
CURRENT YEAR COMPARED TO BUDGET YEAR
FISCAL YEARS 2011-12 AND 2012-13**

MAY PC#	POLICY CHANGE TITLE	MAY 2012 EST. FOR 2011-12		MAY 2012 EST. FOR 2012-13		DIFFERENCE	
		TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
OTHER DEPARTMENTS							
45	ADMINISTRATIVE COSTS FOR CCT	\$1,200,000	\$0	\$3,537,000	\$0	\$2,337,000	\$0
46	FFP FOR DEPARTMENT OF PUBLIC HEALTH SUPPORT	\$15,281,000	\$0	\$14,360,000	\$0	-\$921,000	\$0
47	CLPP CASE MANAGEMENT SERVICES	\$5,575,000	\$0	\$4,200,000	\$0	-\$1,375,000	\$0
48	DEPARTMENT OF SOCIAL SERVICES ADMIN COST	\$4,583,000	\$0	\$5,563,000	\$0	\$980,000	\$0
49	DRUG MEDI-CAL - CDADP ADMIN.	\$4,019,000	\$0	\$0	\$0	-\$4,019,000	\$0
50	DEPARTMENT OF AGING ADMINISTRATIVE COSTS	\$3,152,000	\$0	\$3,140,000	\$0	-\$12,000	\$0
51	SINGLE POINT OF ENTRY - MEDI-CAL/HFP	\$2,055,000	\$0	\$1,796,000	\$0	-\$259,000	\$0
52	VETERANS BENEFITS	\$956,000	\$0	\$1,956,000	\$0	\$1,000,000	\$0
53	OUTREACH - CHILDREN	\$1,626,000	\$0	\$1,220,000	\$0	-\$406,000	\$0
54	CDPH I&E PROGRAM AND EVALUATION	\$1,791,000	\$0	\$1,799,000	\$0	\$8,000	\$0
55	FAMILY PACT EVALUATION	\$1,639,000	\$0	\$532,000	\$0	-\$1,107,000	\$0
56	CDDS DENTAL SERVICES	\$609,000	\$609,000	\$1,270,000	\$1,270,000	\$661,000	\$661,000
57	KIT FOR NEW PARENTS	\$1,029,000	\$0	\$1,017,000	\$0	-\$12,000	\$0
58	FPACT SUPPORT, PROVIDER EDUC. & CLIENT OUTREA	\$595,000	\$0	\$206,000	\$0	-\$389,000	\$0
59	CHHS AGENCY HIPAA FUNDING	\$651,000	\$0	\$651,000	\$0	\$0	\$0
60	MERIT SYSTEM SERVICES FOR COUNTIES	\$209,000	\$104,500	\$184,000	\$92,000	-\$25,000	-\$12,500
61	HEALTH-E APP	\$17,000	\$0	\$0	\$0	-\$17,000	\$0
62	PIA EYEWEAR COURIER SERVICE	\$336,000	\$168,000	\$268,000	\$134,000	-\$68,000	-\$34,000
66	COMMUNITY FIRST CHOICE OPTION-ADMIN	\$318,000	\$0	\$1,907,000	\$0	\$1,589,000	\$0
70	CCI CDA ADMIN COST-HICAP	\$0	\$0	\$150,000	\$0	\$150,000	\$0
74	QUITLINE ADMINISTRATIVE SERVICES	\$0	\$0	\$1,000,000	\$0	\$1,000,000	\$0
76	DEPARTMENT OF STATE HOSPITALS ADMIN. COSTS	\$0	\$0	\$1,147,000	\$0	\$1,147,000	\$0
	OTHER DEPARTMENTS SUBTOTAL	\$734,391,000	\$881,500	\$754,800,000	\$1,496,000	\$20,409,000	\$614,500
	OTHER ADMINISTRATION SUBTOTAL	\$1,241,079,000	\$58,640,950	\$1,665,784,000	\$115,513,050	\$424,705,000	\$56,872,100
	GRAND TOTAL COUNTY AND OTHER ADMIN.	\$1,332,076,000	\$75,919,450	\$1,811,713,000	\$151,907,400	\$479,637,000	\$75,987,950

MEDI-CAL OTHER ADMINISTRATION POLICY CHANGE INDEX

POLICY CHANGE NUMBER	POLICY CHANGE TITLE
CDHS	
1	MEDI-CAL ADMINISTRATIVE ACTIVITIES
2	BTR—LIHP - ADMIN COSTS
3	CCS CASE MANAGEMENT
4	MH/UCD—HCCI - ADMIN COSTS
5	EPSDT CASE MANAGEMENT
6	POSTAGE & PRINTING
7	MIS/DSS CONTRACT
8	ADHC TRANSITION-ADMINISTRATION
9	LITIGATION RELATED SERVICES
10	ARRA HITECH INCENTIVE PROGRAM
11	MEDI-CAL RECOVERY CONTRACT
12	CA-MMIS TAKEOVER & REPLACEMENT OVERSIGHT
13	COORDINATED CARE MANAGEMENT PILOTS
14	MEDI-CAL ELIGIBILITY DATA SYSTEM (MEDS)
15	CA-MMIS TAKEOVER OTHER STATE TRANSITION COSTS
16	SSA COSTS FOR HEALTH COVERAGE INFO.
17	MMA - DSH ANNUAL INDEPENDENT AUDIT
18	PREVENTION OF CHRONIC DISEASE GRANT PROJECT
19	SAN DIEGO CO. ADMINISTRATIVE ACTIVITIES
20	MEDICARE BUY-IN QUALITY REVIEW PROJECT
21	POSTAGE AND PRINTING - THIRD PARTY LIAB.
22	CCT ENROLLMENT-ADMIN COSTS
23	HEALTH CARE OPTIONS CONSULTANT COSTS
24	RATE STUDIES FOR MAIC AND AAC VENDOR
26	HIPAA CAPITATION PAYMENT REPORTING PROJECT
27	ENCRYPTION OF PHI DATA
28	MIS/DSS CONTRACT REPROCUREMENT SERVICES
29	PEDIATRIC PALLIATIVE CARE WAIVER EVALUATION
30	RATE STUDY FOR PHYSICIAN-ADMINISTERED DRUGS
31	Q5i AUTOMATED DATA SYSTEM ACQUISITION
32	MITA
33	EPOCRATES
34	CCS CASE MANAGEMENT SUPPLEMENTAL PAYMENT
35	TAR POSTAGE
36	KATIE A. V. DIANA BONTA SPECIAL MASTER
37	EMILY Q. SPECIAL MASTER

MEDI-CAL OTHER ADMINISTRATION POLICY CHANGE INDEX

POLICY CHANGE NUMBER	POLICY CHANGE TITLE
<u>CDHS</u>	
38	DISEASE MANAGEMENT PROGRAM
63	SHIFT OF HEALTHY FAMILIES CHILDREN TO MEDI-CAL
65	MEDI-CAL INPATIENT SERVICES FOR INMATES
67	REFUNDS ON ACTS OF FRAUD - ADMIN
68	FY 2012-13 FAMILY PACT EVALUATION
69	FAMILY PACT PROGRAM ADMIN.
71	CCI - DUAL ELIGIBLE DEMONSTRATION PROJECT
72	MEDS INTEGRATION INTO CALHEERS
73	CALHEERS DEVELOPMENT
<u>OTHER DEPARTMENTS</u>	
39	PERSONAL CARE SERVICES
40	HEALTH RELATED ACTIVITIES
41	DEPARTMENT OF MENTAL HEALTH ADMIN. COSTS
42	CDDS ADMINISTRATIVE COSTS
43	MATERNAL AND CHILD HEALTH
44	HEALTH CARE PROGRAM FOR CHILDREN IN FOSTER CARE
45	ADMINISTRATIVE COSTS FOR CCT
46	FFP FOR DEPARTMENT OF PUBLIC HEALTH SUPPORT COSTS
47	CLPP CASE MANAGEMENT SERVICES
48	DEPARTMENT OF SOCIAL SERVICES ADMIN COST
49	DRUG MEDI-CAL - CDADP ADMIN.
50	DEPARTMENT OF AGING ADMINISTRATIVE COSTS
51	SINGLE POINT OF ENTRY - MEDI-CAL/HFP
52	VETERANS BENEFITS
53	OUTREACH - CHILDREN
54	CDPH I&E PROGRAM AND EVALUATION
55	FAMILY PACT EVALUATION
56	CDDS DENTAL SERVICES
57	KIT FOR NEW PARENTS
58	FPACT SUPPORT, PROVIDER EDUC. & CLIENT OUTREACH
59	CHHS AGENCY HIPAA FUNDING
60	MERIT SYSTEM SERVICES FOR COUNTIES
61	HEALTH-E APP
62	PIA EYEWEAR COURIER SERVICE
66	COMMUNITY FIRST CHOICE OPTION-ADMIN

**MEDI-CAL OTHER ADMINISTRATION
POLICY CHANGE INDEX**

<u>POLICY CHANGE NUMBER</u>	<u>POLICY CHANGE TITLE</u>
	<u>OTHER DEPARTMENTS</u>
70	CCI CDA ADMIN COST-HICAP
74	QUITLINE ADMINISTRATIVE SERVICES
76	DEPARTMENT OF STATE HOSPITALS ADMIN. COSTS

MEDI-CAL ADMINISTRATIVE ACTIVITIES

OTHER ADMIN. POLICY CHANGE NUMBER: 1
 IMPLEMENTATION DATE: 7/1992
 ANALYST: Andrew Yoo
 FISCAL REFERENCE NUMBER: 235

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$194,058,000	\$194,058,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$194,058,000	\$194,058,000

DESCRIPTION

Purpose:

This policy change budgets the federal financial participation (FFP) for claims submitted on behalf of local government agencies (LGAs) including counties, chartered cities, and Native American Indian tribes for Medicaid administrative activities.

Authority:

AB 2377 (Chapter 147, Statutes of 1994)
 AB 2780 (Chapter 310, Statutes of 1998)
 SB 308 (Chapter 253, Statutes of 2003)

Background:

This program authorized the State to implement the Medi-Cal Administrative Activities (MAA) claiming process. The Department will submit claims on behalf of LGAs, which include counties and chartered cities, to obtain FFP for Medicaid administrative activities. Many LGAs then subcontract with other organizations to perform MAA. These activities assist Medi-Cal eligible persons to learn about, enroll in, and access services of the Medi-Cal program.

AB 2780 allows local educational agencies (LEA), school districts, and county offices of education the option of claiming MAA through either their local education consortium (LEC) (one of the State's eleven administrative districts) or through the LGAs.

SB 308 redefined LGAs to include Native American Indian tribes. This allows these tribes to participate in MAA and Targeted Case Management programs. Funds for the claiming of Tribal MAA have been included in the estimate. Reimbursements for non-emergency and non-medical transportation expenditures are available for Tribal entities. California's Tribal MAA directs contracts for non-transportation MAA activities.

Reason for Change from Prior Estimate:

Revised based on additional actual expenditures.

Methodology:

Analysis of actual Medi-Cal administrative claim amounts received during the fiscal period of July 1, 2010 through February 29, 2012 was prepared and incorporated a trend estimate.

	FY 2011-12	FY 2012-13
Cash Basis		
Claims	\$194,058,000	\$194,058,000

MEDI-CAL ADMINISTRATIVE ACTIVITIES

OTHER ADMIN. POLICY CHANGE NUMBER: 1

Funding:

Title XIX FFP (4260-101-0890)

BTR—LIHP - ADMIN COSTS

OTHER ADMIN. POLICY CHANGE NUMBER: 2
 IMPLEMENTATION DATE: 7/2011
 ANALYST: Candace Epstein
 FISCAL REFERENCE NUMBER: 1589

	<u>FY 2011-12</u>	<u>FY 2012-13</u>
TOTAL FUNDS	\$9,503,000	\$387,998,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$9,503,000	\$387,998,000

DESCRIPTION**Purpose:**

This policy change estimates federal funds for the administrative costs associated with the Low Income Health Program (LIHP) under the California Bridge to Reform Section 1115(a) Medicaid Demonstration (BTR).

Authority:

AB 342 (Chapter 723, Statutes of 2010)
 AB 1066 (Chapter 86, Statutes of 2011)
 Section 1115(a) Medicaid Demonstration (Waiver 11-W-00193/9).

Background:

The BTR authorizes the LIHP, effective November 1, 2010. The LIHP consists of two components, the Medicaid Coverage Expansion (MCE) and the Health Care Coverage Initiative (HCCI). The MCE will cover eligibles with family incomes at or below 133% of Federal Poverty Level. The HCCI will cover those with family incomes above 133% through 200% of Federal Poverty Level. These are elective programs at the local government level and are statewide. The Department will use Certified Public Expenditures of the local government administrative costs to draw down federal funds and will distribute these funds to the local governments. The Department will submit a cost claiming protocol to the Centers for Medicare and Medicaid Services for approval of the administrative cost claiming for the BTR-LIHP.

Reason for Change from Prior Estimate:

The counties fail to routinely submit their claiming information on a timely basis thereby causing delays in claiming the federal financial participation.

Methodology:

Estimated administrative costs are expected to be as follows:

FY 2011-12	LIHP-HCCI	LIHP-MCE	Total FF
2010-11	\$2,376,000	\$7,127,000	\$9,503,000
FY 2012-13			
2010-11	\$30,124,000	\$90,373,000	\$120,497,000
2011-12	\$41,562,500	\$124,687,500	\$166,250,000
2012-13	\$25,313,000	\$75,938,000	\$101,251,000
Total	\$96,999,500	\$290,998,500	\$387,998,000

BTR—LIHP - ADMIN COSTS

OTHER ADMIN. POLICY CHANGE NUMBER: 2

Funding:

Title XIX FFP (4260-101-0890)

CCS CASE MANAGEMENT

OTHER ADMIN. POLICY CHANGE NUMBER: 3
 IMPLEMENTATION DATE: 7/1999
 ANALYST: Andrew Yoo
 FISCAL REFERENCE NUMBER: 230

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$144,546,000	\$145,579,000
STATE FUNDS	\$58,511,000	\$58,960,000
FEDERAL FUNDS	\$86,035,000	\$86,619,000

DESCRIPTION

Purpose:

This policy change estimates the California Children's Services (CCS) case management cost.

Authority:

Health and Safety Code, sections 123800-123995
 AB 442 (section 95, Chapter 1161, Statutes of 2002)
 AB 1745 (Chapter 33, Statutes of 2006)

Background:

CCS county staff performs case management for clients who reside in counties with populations greater than 200,000 (independent counties). Case management includes performing all phases of program eligibility determination, evaluating the medical need for specific services, and determining appropriate providers. The state shares case management activities administered by CCS state regional office employees in Sacramento, San Francisco and Los Angeles for counties with populations less than 200,000 (dependent counties). The Children's Medical Services (CMS) Net automated system is utilized by the CCS Medi-Cal program to assure case management activities.

Reason for Change from Prior Year:

There is no material change.

Methodology:

1. The county administrative estimate for the budget year is updated every May based on additional data collected.
2. For FY 2011-12, the CCS case management costs are based on budgeted county expenditures of \$142,353,000 and the Pediatric Palliative Care (PPC) Nurse Liaisons cost of \$736,000 in the May 2011 Estimate.

$$\$142,353,000 + \$736,000 = \$143,089,000$$

3. For FY 2012-13, caseload is expected to increase 0.51% from FY 2011-12 to FY 2012-13 based on the Nov 2011 Estimate.

$$\$143,089,000 \times (1 + 0.51\%) = \$143,818,000$$

4. County data processing costs associated with CMS Net for CCS Medi-Cal are estimated to be \$1,457,000 in FY 2011-12 and \$1,761,000 in FY 2012-13.

CCS CASE MANAGEMENT

OTHER ADMIN. POLICY CHANGE NUMBER: 3

5. AB 1745 requires the Department to conduct a waiver pilot project to determine whether PPC should be provided as a benefit under the Medi-Cal program. These expenditures have been rolled into the CCS case management costs.

	FY 2011-12	FY 2012-13
CCS Case Management	\$143,089,000	\$143,818,000
CMS Net	\$1,457,000	\$1,761,000
Total	\$144,546,000	\$145,579,000

Funding:

Title XIX GF/FFP (4260-101-0001/0890)

MH/UCD—HCCI - ADMIN COSTS

OTHER ADMIN. POLICY CHANGE NUMBER: 4
 IMPLEMENTATION DATE: 7/2009
 ANALYST: Candace Epstein
 FISCAL REFERENCE NUMBER: 1180

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$36,962,000	\$15,906,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$36,962,000	\$15,906,000

DESCRIPTION

Purpose:

This policy change estimates the administrative costs associated with the Health Care Coverage Initiative (HCCI) under the Medi-Cal Hospital/Uninsured Care Section 1115(a) Medicaid Demonstration (MH/UCD).

Authority:

SB 1448 (Chapter 76, Statutes of 2006)
 Section 1115(a) Medi-Cal Hospital/Uninsured Care Demonstration

Background:

Under the Special Terms and Conditions of the MH/UCD, \$180 million per Demonstration Year 3 – 5 is available for implementing the HCCI. SB 1448 requires that these funds be used for only health care services provided through the approved health care coverage programs.

In addition, the Centers for Medicare and Medicaid Services will provide uncapped federal funds to the HCCI counties at an amount equal to the regular Federal Medical Assistance Percentage (50%) for their administrative costs associated with the start-up, implementation, and closeout administration of their approved health care coverage programs incurred March 29, 2007 through August 31, 2010. The Department will use the counties' Certified Public Expenditures of their HCCI administrative costs to draw down federal funds and will distribute these federal funds to the HCCI counties.

The MH/UCD expired on August 31, 2010, and was extended through October 31, 2010. The California Bridge to Reform section 1115(a) Medicaid Demonstration (BTR) was approved by CMS effective November 1, 2010. The new Demonstration modifies the existing Health Care Coverage Initiative. Administrative costs related to the BTR—Low Income Health Program are included in the policy change BTR—LIHP - Admin Costs.

Reason for Change from Prior Estimate:

Adjusted to reflect a reduction in trend in the actual payments for administrative costs that are estimated to continue under the MH/UC Demonstration.

Methodology:

1. The remaining actual administrative costs, start-up costs, and projected administrative costs for 2007-08 will be claimed in FY 2011-12.
2. The remaining actual administrative costs for 2008-09 will be claimed in FY 2011-12.

MH/UCD—HCCI - ADMIN COSTS**OTHER ADMIN. POLICY CHANGE NUMBER: 4**

3. The remaining actual administrative costs for 2009-10 and estimated closeout cost resulting from closing out the MH/UCD HCCI program will be claimed in FY 2011-12 and FY 2012-13.

Estimated administrative costs are expected as follows:

FY 2011-12	Total	FF
2007-08	\$17,467,000	\$17,467,000
2008-09	\$7,734,000	\$7,734,000
2009-10	\$11,761,000	\$11,761,000
Total	\$36,962,000	\$36,962,000
 FY 2012-13		
2009-10	\$15,906,000	\$15,906,000

Funding:

Title XIX FFP (4260-101-0890)

EPSDT CASE MANAGEMENT

OTHER ADMIN. POLICY CHANGE NUMBER: 5
 IMPLEMENTATION DATE: 7/1996
 ANALYST: Yumie Park
 FISCAL REFERENCE NUMBER: 229

	<u>FY 2011-12</u>	<u>FY 2012-13</u>
TOTAL FUNDS	\$33,718,000	\$33,718,000
STATE FUNDS	\$11,871,250	\$11,871,250
FEDERAL FUNDS	\$21,846,750	\$21,846,750

DESCRIPTION

Purpose:

This policy change estimates Medi-Cal's Early and Periodic Screening Diagnosis and Treatment (EPSDT) Case Management allocation.

Authority:

California Health and Safety Code § 124075 (a)
 California Welfare and Institutions Code § 10507

Background:

The EPSDT Case Management budget is allocated to individual counties and controlled on an accrual basis.

Reason for Change from Prior Estimate:

There is no change.

Methodology:

1. The set allocation amount is \$37,464,000 (\$13,190,000 GF) annually and is based on a formula that was calculated by the Child Health and Disability Prevention program.
2. Effective July 1, 2008, the EPSDT Case Management allocation was reduced by 10%. Savings began October 1, 2008. The net effect after the reduction is \$33,718,000 (\$11,871,250 GF).

	<u>TF</u>	<u>GF</u>	<u>FFP</u>
Allocation	\$33,718,000	\$11,871,000	\$21,847,000

Funding:

State General Fund/Title XIX (4260-101-0001/0890)

POSTAGE & PRINTING

OTHER ADMIN. POLICY CHANGE NUMBER: 6
 IMPLEMENTATION DATE: 7/1993
 ANALYST: Ryan Witz
 FISCAL REFERENCE NUMBER: 231

	<u>FY 2011-12</u>	<u>FY 2012-13</u>
TOTAL FUNDS	\$13,464,000	\$17,887,000
STATE FUNDS	\$6,671,200	\$8,883,700
FEDERAL FUNDS	\$6,792,800	\$9,003,300

DESCRIPTION

Purpose:

This policy change budgets postage and printing costs for items sent to or used by Medi-Cal beneficiaries.

Authority:

Welfare & Institutions Code, section 14007.71

Background:

Costs for the mailing of various legal notices and the costs for forms used in determining eligibility and available third party resources are budgeted in the local assistance item as these costs are caseload driven. Under the federal Health Insurance Portability and Accountability Act (HIPAA), it is a legal obligation of the Medi-Cal program to send out a Notice of Privacy Practices (NPP) to each beneficiary household explaining the rights of beneficiaries regarding the protected health information created and maintained by the Medi-Cal program. The notice must be sent to all new Medi-Cal and Breast and Cervical Cancer Treatment Program (BCCTP) enrollees, and at least every 3 years to existing beneficiaries. Postage and printing costs for the HIPAA NPP are included in this item.

Costs for the printing and postage of notices and letters for the State-funded component of the BCCTP are included as a 100% General Fund cost.

Reason for Changes from Prior Estimate:

Two new mailings were added (Transitional Medi-Cal (TMC) and Earned Income Tax Credit (EITC)), along with increases to printing rates at the Office of State Publishing and postal rates.

Methodology:

Postage and printing costs may be charged to local assistance for items sent to or used by Medi-Cal beneficiaries.

POSTAGE & PRINTING

OTHER ADMIN. POLICY CHANGE NUMBER: 6

FY 2011-12:	Printing	Mailing	Total
Mass Mailings	\$0	\$6,800,000	\$6,800,000
Distribution	\$0	\$513,000	\$513,000
Routine Forms	\$2,000,000	\$525,000	\$2,525,000
TMC Flyer	\$141,000	\$157,000	\$298,000
EITC Annual Insert	\$120,000	\$0	\$120,000
Toll-Free Postage	\$13,000	\$1,252,000	\$1,265,000
PARIS	\$154,000	\$46,000	\$200,000
Incarceration Verification Program	\$39,000	\$12,000	\$51,000
Benefits	\$27,000	\$0	\$27,000
BCCTP (35% State-Only Eligs)	\$5,000	\$10,000	\$15,000
HIPAA NPP – M/C	\$400,000	\$960,000	\$1,360,000
HIPAA NPP – FPACT	\$150,000	\$100,000	\$250,000
HIPAA NPP - BCCTP	\$30,000	\$10,000	\$40,000
TOTAL (Rounded)	\$3,079,000	\$10,385,000	\$13,464,000

FY 2012-13:	Printing	Mailing	Total
Mass Mailings	\$0	\$7,000,000	\$7,000,000
Distribution	\$0	\$520,000	\$520,000
Routine Forms	\$2,400,000	\$600,000	\$3,000,000
TMC Flyer	\$566,000	\$627,000	\$1,193,000
EITC Annual Insert	\$120,000	\$0	\$120,000
Toll-Free Postage	\$13,000	\$1,252,000	\$1,265,000
PARIS	\$154,000	\$46,000	\$200,000
Incarceration Verification Program	\$39,000	\$12,000	\$51,000
Benefits	\$27,000	\$0	\$27,000
BCCTP (35% State-Only Eligs)	\$5,000	\$16,000	\$21,000
HIPAA NPP – M/C	\$2,200,000	\$2,000,000	\$4,200,000
HIPAA NPP – FPACT	\$150,000	\$100,000	\$250,000
HIPAA NPP - BCCTP	\$30,000	\$10,000	\$40,000
TOTAL (Rounded)	\$5,704,000	\$12,183,000	\$17,887,000

Funding:

FY 2011-12:	(In Thousands)	GF	FF	TF
Regular Admin. Title XIX	4260-101-001/0890	\$ 6,258.5	\$ 6,258.5	\$ 12,517
100% State GF	4260-101-0001	\$ 125	\$ 0	\$ 125
Healthy Families Enh. T21	4260-113-0001/0890	\$ 288	\$ 534	\$ 822
FY 2012-13:	(In Thousands)	GF	FF	TF
Regular Admin. Title XIX	4260-101-001/0890	\$ 8,469	\$ 8,469	\$ 16,938
100% State GF	4260-101-0001	\$ 127	\$ 0	\$ 127
Healthy Families Enh. T21	4260-113-0001/0890	\$ 288	\$ 534	\$ 822

MIS/DSS CONTRACT

OTHER ADMIN. POLICY CHANGE NUMBER: 7
 IMPLEMENTATION DATE: 7/2002
 ANALYST: Randolph Alarcio
 FISCAL REFERENCE NUMBER: 252

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$12,378,000	\$11,555,000
STATE FUNDS	\$3,262,250	\$3,056,500
FEDERAL FUNDS	\$9,115,750	\$8,498,500

DESCRIPTION

Purpose:

The policy change estimates the contract costs associated with the Management Information System/Decision Support System (MIS/DSS).

Authority:

Not applicable

Background:

The MIS/DSS houses a variety of data and incorporates it into an integrated, knowledge-based system. It is used by the Department, including the Medi-Cal Managed Care Division in its monitoring of Health Plan performance, the Third Party Liability and Recovery Division in its collection efforts, and the Audits and Investigations Division in its anti-fraud efforts.

Ongoing operation and maintenance of the MIS/DSS is accomplished through a multi-year contract, which is effective through February 14, 2014. The services contracted are not available within civil service or are of a highly specialized or technical nature that the necessary expert knowledge, experience, and ability are not available through the civil service system.

Reason for Change from Prior Estimate:

There is no material change.

Methodology:

- The estimates are based on contracted amounts provided by the Information Technology Services Division.

	Total	GF	FFP
FY 2011-12			
Fixed Costs	\$10,109,000	\$2,527,000	\$7,582,000
Additional Costs	\$671,000	\$335,500	\$335,500
Variable Costs	\$1,598,000	\$400,000	\$1,198,000
Total Operating Costs	\$12,378,000	\$3,262,500	\$9,115,500
FY 2012-13			
Fixed Costs	\$7,083,000	\$1,771,000	\$5,312,000
Additional Costs	\$671,000	\$335,500	\$335,500
Variable Costs	\$3,801,000	\$950,000	\$2,851,000
Total Operating Costs	\$11,555,000	\$3,056,500	\$8,498,500

MIS/DSS CONTRACT

OTHER ADMIN. POLICY CHANGE NUMBER: 7

Funding:

Title XIX 75/25 FFP (4260-101-0001/0890)

Title XIX 50/50 FFP (4260-101-0001/0890)

ADHC TRANSITION-ADMINISTRATION

OTHER ADMIN. POLICY CHANGE NUMBER: 8
 IMPLEMENTATION DATE: 1/2012
 ANALYST: Cang Ly
 FISCAL REFERENCE NUMBER: 1638

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$11,388,000	\$1,800,000
STATE FUNDS	\$5,694,000	\$900,000
FEDERAL FUNDS	\$5,694,000	\$900,000

DESCRIPTION

Purpose:

This policy change estimates the other administration costs associated with transitioning current Adult Day Health Care (ADHC) program participants into Community-Based Adult Services (CBAS) or other services appropriate to their needs in order to minimize the risks of institutionalization.

Authority:

AB 97 (Chapter 3, Statutes of 2011)
 Settlement agreement

Background:

AB 97 eliminated ADHC services from the Medi-Cal program effective July 1, 2011. A class action lawsuit, *Esther Darling, et. al. v. Toby Douglas, et. al.*, sought to challenge the elimination of ADHC services. A settlement of the lawsuit was reached that establishes the new CBAS program. The Legislature appropriated \$170 million TF (\$85 million GF) to the Department to help transition existing ADHC enrollees to other appropriate Medi-Cal services. The funds may be used for assessment, placement, and the provision of services. The ADHC ongoing estimate and the effect of the July 1, 2011 termination are found in the Adult Day Health Care – CDA and Eliminate ADHC services policy changes.

The fiscal intermediary cost of the transition is included in the fiscal intermediary section of the Estimate. The benefit costs of the transition are included in the ADHC Transition—Benefits policy change.

Reason for Change from Prior Estimate:

Funding for administrative costs associated with services provided by Independent Living Centers, the California Department of Developmental Services Regional Centers, and Area Agencies on Aging are no longer included in the other administration costs. Prior to the settlement of the *Esther Darling, et. al. v. Toby Douglas, et. al.*, lawsuit, the Department envisioned the need for this funding to transition ADHC enrollees to services provided by other agencies. These other agency costs no longer apply under the settlement terms.

For fee-for-service Assessments and Care Coordination in FY 2011-12, ADHC/CBAS assessment costs were higher than previously estimated while enhanced case management costs were lowered, both scenarios resulted in an overall increase in other administration costs in this category in FY 2011-12. Decrease in FY 2012-13 costs due to lower enhanced case management costs.

The reasons for changes in benefits costs are included in the ADHC Transition—Benefits policy change.

ADHC TRANSITION-ADMINISTRATION

OTHER ADMIN. POLICY CHANGE NUMBER: 8

Methodology:

Transition activities include:

Nine-month Extension of Services—The termination of coverage of ADHC services was delayed for nine months, from July 1, 2011, to April 1, 2012. This allowed the time to implement a multi-faceted approach to provide comprehensive health risk assessments, care coordination, case management and appropriate ongoing services to former ADHC clients.

CBAS—Effective April 1, 2012, this new, smaller, and more targeted program will be created for those former ADHC clients who are most in need of medical and social services. Based upon preliminary data, the average monthly caseload is expected to be 28,000. As additional information becomes available, this caseload estimate may be revised. For those eligible for enrollment in Medi-Cal managed care plans, these services will be covered only through the plans, no sooner than July 1, 2012.

Discharge Planning—The transition began with individualized discharge planning and the completion of the ADHC individual plan of care by ADHCs before the benefit was scheduled to end. The Department reimbursed ADHCs for these additional costs (one-time reimbursement per assessment submitted).

Health Care Options (HCO) Cost—The HCO contractor, Maximus, assists ADHC clients enrolling into managed care plans by preparing and mailing informational notices and making proactive phone calls. These costs are shown in the Fiscal Intermediary (FI) Estimate.

FFS Assessment and Care Coordination—For those ADHC clients in counties without managed care or when the client chooses FFS rather than managed care, the Department has contracted with Adult Protective Services (APS), Inc., to provide health risk assessment, care coordination, and case management. Additionally, APS assisted with the ADHC clients who enrolled in managed care in Los Angeles County as well as Health Net plans in October 2011 and November 2011. APS will assist the Department with ADHC/CBAS assessments through February 2012. Additionally, APS will provide enhanced case management services to those former ADHC clients who are not receiving CBAS services.

In-Home Supportive Services (IHSS) Administration—These are the administrative costs provided to the California Department of Social Services for reassessing ADHC clients for IHSS eligibility.

ADHC TRANSITION-ADMINISTRATION

OTHER ADMIN. POLICY CHANGE NUMBER: 8

(In Thousands)	FY 2011-12		FY 2012-13	
	TF	GF	TF	GF
Benefits Cost				
Nine Month Extension	\$244,326	\$122,163	\$ 21,318	\$ 10,659
CBAS	\$ 33,806	\$ 16,903	\$288,426	\$144,213
Discharge Planning	\$ 290	\$ 145	\$ -	\$ -
Total Benefits	\$278,422	\$139,211	\$309,744	\$154,872
HCO (included in FI Estimate)	\$ 2,342	\$ 1,171	\$ -	\$ -
Other Administration Cost				
FFS Assessment & Care Coordination	\$ 7,888	\$ 3,944	\$ 1,800	\$ 900
IHSS Administration	\$ 3,500	\$ 1,750	\$ -	\$ -
Total Other Administration	\$ 11,388	\$ 5,694	\$ 1,800	\$ 900
Total All Costs	\$292,152	\$ 146,076	\$311,544	\$155,772

Funding:

Title XIX 50/50 FFP (Item 4260-101-0001/0890)

LITIGATION RELATED SERVICES

OTHER ADMIN. POLICY CHANGE NUMBER: 9
 IMPLEMENTATION DATE: 7/2009
 ANALYST: Candace Epstein
 FISCAL REFERENCE NUMBER: 1381

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$9,275,000	\$10,442,000
STATE FUNDS	\$4,637,500	\$5,221,000
FEDERAL FUNDS	\$4,637,500	\$5,221,000

DESCRIPTION

Purpose:

This policy change estimates the costs of litigation and actuarial consulting.

Authority:

Not applicable

Background:

The Department continues to experience an increase in the number and complexity of litigation cases challenging legislation implementing changes to the Medi-Cal program. As a result, the Department of Justice costs and other litigation support costs have increased.

In addition, several significant cases have been inactive awaiting a precedential decision by the United States Supreme Court in four Medi-Cal cases. That decision was issued in February 2012, so the department expects many of these cases to become increasingly more active over the next several months. Also, ongoing litigation filed by managed care plans relating to capitation rates has resulted in significant time expended by actuarial staff in evaluating the cases and developing defense strategies. Recent rulings have required the Department to re-calculate capitation rates for prior periods. As a result, additional work has been performed by the Department's consulting actuaries to comply with the requirements of these court rulings.

Reason for Change from Prior Estimate:

Caseload increases, activation of a backlog of previously inactive cases, and significant capitation rate cases, as outlined above.

Methodology:

1. Based on prior Department of Justice litigation costs and projected workload, costs are projected to be \$7,175,000 for FY 2011-12, and \$8,342,400 for FY 2012-13.
2. Based on prior actuary costs and the Department's projected workload, costs will be \$2,100,000 in FY 2011-12 and \$2,100,000 in FY 2012-13.

LITIGATION RELATED SERVICES

OTHER ADMIN. POLICY CHANGE NUMBER: 9

	FY 2011-12		FY 2012-13	
	TF	GF	TF	GF
Litigation Representation	\$ 7,175,000	\$ 3,587,500	\$ 8,342,000	\$ 4,171,000
Consulting Actuaries	\$ 2,100,000	\$ 1,050,000	\$ 2,100,000	\$ 1,050,000
Total	\$ 9,275,000	\$ 4,637,500	\$ 10,442,000	\$ 5,221,000

Funding:

Title XIX 50/50 FFP (4260-101-0001/0890)

ARRA HITECH INCENTIVE PROGRAM

OTHER ADMIN. POLICY CHANGE NUMBER: 10
 IMPLEMENTATION DATE: 7/2010
 ANALYST: Cang Ly
 FISCAL REFERENCE NUMBER: 1370

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$3,952,000	\$6,780,000
STATE FUNDS	\$395,000	\$653,000
FEDERAL FUNDS	\$3,557,000	\$6,127,000

DESCRIPTION

Purpose:

This policy change estimates the administrative costs associated with the implementation of the Health Information Technology for Economic and Clinical Health (HITECH) Incentive Program under the American Recovery and Reinvestment Act (ARRA) of 2009.

Authority:

SB 945 (Chapter 433, Statutes of 2011)
 ARRA of 2009

Background:

The HITECH Incentive Program, a component of the ARRA, authorizes the outlay of federal money estimated to be \$45 billion over ten years between 2011 and 2021 for Medicare and Medicaid incentives to qualified health care providers who adopt, implement, or upgrade and meaningfully use certified Electronic Health Records (EHR) technology in accordance with the HITECH Incentive Program requirements.

SB 945 required the Department to establish and administer the ARRA HITECH Incentive Program only to the extent that federal participation was available with no impact to the General Fund (GF).

The Department is required by the Centers for Medicare and Medicaid Services (CMS) to assess the current usage of, and barriers to the EHR adoption by providers and hospitals prior to implementing EHR. Multiple contractors are required in order to complete the assessments.

In addition to the assessments, the current Fiscal Intermediary (FI), Affiliated Computer Services, Inc. (ACS) will be developing an enrollment and eligibility portal for Medi-Cal professionals and hospitals. SB 945 limitations on the use of GF dollars to implement the ARRA HITECH Incentive Program does not apply to the ACS projects because the funding for the ACS projects were approved as part of the FI budget prior to the passage of SB 945. The costs of the ACS projects that are eligible for ARRA HITECH Incentive Program funding are budgeted in the FI Estimate.

Furthermore, the Department and the California Department of Public Health (CDPH) have partnered on a project to upgrade the California Immunization Registry (CAIR). The CAIR 2.0 project will transform the existing CAIR infrastructure and software to fully support meaningful use data exchange with electronic health records.

The payments to the providers under the HITECH are budgeted in the ARRA HITECH – Provider Payments policy change.

ARRA HITECH INCENTIVE PROGRAM

OTHER ADMIN. POLICY CHANGE NUMBER: 10

Reason for Change from Prior Estimate:

Delay in implementation of the EHR Incentive program so that a California specific solution can be developed instead of using a Commercial Off-the-Shelf solution to accommodate the program's unique needs.

Methodology:

1. Payments to the contractors began in July 2010.
2. The ARRA HITECH Incentive Program is eligible for 90% federal financial participation (FFP). Currently, 23 separate projects are assessing the implementation of HITECH. For most projects, the 10% General Fund match will be reimbursed to the Department by the funding from outside entities therefore there is no impact to the GF.
3. Some ACS projects are eligible for ARRA HITECH funding under the FI contract.
4. For the CAIR 2.0 project, the 10% match is budgeted in by CDPH. This policy change budgets the Title XIX 90% FFP that will be provided to CDPH for the CAIR 2.0 contract through an interagency agreement.

FY 2011-12	FFP	Reimbursement	Total
Other projects	\$3,557,000	\$395,000	\$3,952,000
ACS projects (In FI Estimate)	\$709,000	\$95,000	\$804,000
Total FY 2011-12	\$4,266,000	\$490,000	\$4,756,000
FY 2012-13	FFP	Reimbursement	Total
CAIR 2.0 project	\$254,000	\$0	\$254,000
Other projects	\$5,873,000	\$653,000	\$6,526,000
Subtotal	\$6,127,000	\$653,000	\$6,780,000
ACS projects (In FI Estimate)	\$2,847,000	\$381,000	\$3,228,000
Total FY 2012-13	\$8,974,000	\$1,034,000	\$10,008,000

Funding:

Title XIX 10/90 FFP (4260-101-0001/0890)
 Reimbursement (4260-610-0995)
 Title XIX 100% FFP (4260-101-0890)

MEDI-CAL RECOVERY CONTRACT

OTHER ADMIN. POLICY CHANGE NUMBER: 11
 IMPLEMENTATION DATE: 2/2008
 ANALYST: Julie Chan
 FISCAL REFERENCE NUMBER: 1551

	<u>FY 2011-12</u>	<u>FY 2012-13</u>
TOTAL FUNDS	\$6,826,000	\$5,812,000
STATE FUNDS	\$1,707,000	\$1,453,000
FEDERAL FUNDS	\$5,119,000	\$4,359,000

DESCRIPTION

Purpose:

This policy change estimates the cost of contracts to identify recipients with third party health insurance coverage and workers' compensation insurance.

Authority:

Not applicable.

Background:

Since Medi-Cal is the payer of last resort, other health plans must first be billed before the Medi-Cal program. The contracts provide: 1) data matches between the Department's Medi-Cal Recipient Eligibility file and the contractor's policy holder/subscriber file; 2) identification and recovery of Medi-Cal expenditures in workers' compensation actions; 3) identification of private/group health coverage and the recovery of Medi-Cal expenditures when the private/group health coverage is the primary payer; 4) online access to research database services for public records of Medi-Cal recipients; and 5) cost avoidance activities. When such insurance is identified, the vendor retroactively bills the third party to recover Medi-Cal paid claims. Payment to the vendor is contingent upon recoveries. Recoveries due to workers' compensation vendor activities are budgeted in the Base Recoveries policy change. Recoveries due to health insurance vendor activities are incorporated into the base estimate.

The current contract for health insurance began January 1, 2009 and ends November 30, 2012. The workers' compensation contract began June 1, 2011 and ends January 31, 2012 and the Department is in the process of extending the contract to January 31, 2013.

Reason for Change from Prior Estimate:

There is a slight decrease in FYs 2011-12 and 2012-13 based on estimated recoveries and contract negotiations.

Methodology:

Not applicable.

MEDI-CAL RECOVERY CONTRACT

OTHER ADMIN. POLICY CHANGE NUMBER: 11

FY 2011-12	TF	FFP	GF
Health Insurance	\$6,134,000	\$4,600,000	\$1,534,000
Workers' Compensation	\$625,000	\$469,000	\$156,000
Online Database Contracts	\$67,000	\$50,000	\$17,000
Total Costs	\$6,826,000	\$5,119,000	\$1,707,000
FY 2012-13	TF	FFP	GF
Health Insurance	\$5,120,000	\$3,840,000	\$1,280,000
Workers' Compensation	\$625,000	\$469,000	\$156,000
Online Database Contracts	\$67,000	\$50,000	\$17,000
Total Costs	\$5,812,000	\$4,359,000	\$1,453,000

Funding:

Title XIX FFP (4260-101-0890)

GF (4260-101-0001)

CA-MMIS TAKEOVER & REPLACEMENT OVERSIGHT

OTHER ADMIN. POLICY CHANGE NUMBER: 12
 IMPLEMENTATION DATE: 10/2007
 ANALYST: Randolph Alarcio
 FISCAL REFERENCE NUMBER: 1278

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$4,051,000	\$5,143,000
STATE FUNDS	\$914,550	\$616,200
FEDERAL FUNDS	\$3,136,450	\$4,526,800

DESCRIPTION

Purpose:

This policy change estimates the cost of contractors and consultants who oversee the replacement of the California Medicaid Management Information System (CA-MMIS).

Authority:

The project is mandated by the Centers for Medicare & Medicaid Services pursuant to Title XIX of the Federal Social Security Act.

Background:

CA-MMIS is the claims processing system used for Medi-Cal. Given the business critical nature of CA-MMIS, a detailed assessment was completed by a specialty vendor which recommended that modernization of CA-MMIS begin immediately. The Department contracts with various vendors to assist with Fiscal Intermediary oversight activities, documentation of business rules, project management, change management and Independent Verification and Validation (IVV) services during transition and replacement of the CA-MMIS.

Reason for Change from Prior Estimate:

Updated data became available for expenditures and the start of the replacement phase was delayed due to the delay in the completion of Assumption of Operations.

Methodology:

Fiscal Year	TF	90% FFP	75% FFP	50% FFP	100% GF
FY 2011-12	\$4,051,000	\$1,098,000	\$2,849,000	\$23,000	\$81,000
FY 2012-13	\$5,143,000	\$5,017,000	\$0	\$23,000	\$103,000

Funding:

Title XIX 10/90 FFP (4260-101-0001/0890)
 Title XIX 25/75 FFP (4260-101-0001/0890)
 Title XIX 50/50 FFP (4260-101-0001/0890)
 Title XIX 100% GF (4260-101-0001)
 Title XXI 50/50 FFP (4260-113-0001/0890)

COORDINATED CARE MANAGEMENT PILOTS

OTHER ADMIN. POLICY CHANGE NUMBER: 13
 IMPLEMENTATION DATE: 2/2010
 ANALYST: Andrew Yoo
 FISCAL REFERENCE NUMBER: 1125

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$5,727,000	\$3,600,000
STATE FUNDS	\$2,863,500	\$1,800,000
FEDERAL FUNDS	\$2,863,500	\$1,800,000

DESCRIPTION

Purpose:

This policy change estimates the costs for the Coordinated Care Management (CCM) Pilot Project.

Authority:

The Budget Act of 2006

Background:

This program provides the Department funding for staff to establish and implement a CCM Pilot Program. The CCM pilot program establishes cost neutrality as the effectiveness of this benefit by entering into contracts to cover various conditions within the pilot program.

Key elements of the CCM Pilot include maintaining access to medically necessary and appropriate services, improving outcomes, and providing care in a more cost-effective manner for three populations enrolled in the Fee-for-Service Medi-Cal Program who are not on Medicare:

- CCM 1 - Seniors and persons with disabilities who have chronic conditions, or who may be seriously ill and near the end of life.
- CCM 2 - Persons with chronic health condition(s) and serious mental illnesses.
- CBAS (CCM-2) - This contract has been amended to include Adult Day Health Care (ADHC) services as the Department transitions eligible ADHC beneficiaries into the new Community Based Adult Services (CBAS) Medi-Cal benefit. The cost for the CBAS is budgeted in the policy change titled ADHC Transition Administration.

The Department entered into two contracts to implement the CCM Pilot Program. CCM 1 began operations in January 2010, with payments for services beginning in February 2010. CCM 2 began operations in April 2010, with payments for services beginning in May 2010. The University of California, Los Angeles was contracted to conduct an independent evaluation of the CCM Program administered by APS Healthcare.

The contract term for CCM 1 is from March 1, 2009 to December 31, 2012. The contract term for CCM 2 is from August 20, 2009 to December 31, 2014. The Assessment contract term is for December 1, 2012 through January 30, 2015. The Assessment startup cost for both CCM pilots will begin in December 2012.

COORDINATED CARE MANAGEMENT PILOTS

OTHER ADMIN. POLICY CHANGE NUMBER: 13

Reason for Change from Prior Estimate:

The CCM-2 contract was amended to include ADHC services, in addition to the availability of actual program costs.

Methodology:

	TF	GF
CCM1	\$2,306,000	\$1,153,500
CCM2	\$3,421,000	\$1,710,500
FY 2011-12	\$5,727,000	\$2,864,000

	TF	GF
CCM1	\$1,683,000	\$841,500
CCM2	\$1,575,000	\$787,500
Assessments	\$342,000	\$171,000
FY 2012-13	\$3,600,000	\$1,800,000

Funding:

Title XIX 50/50 FFP (4260-101-0001/0890)

MEDI-CAL ELIGIBILITY DATA SYSTEM (MEDS)

OTHER ADMIN. POLICY CHANGE NUMBER: 14
 IMPLEMENTATION DATE: 7/2009
 ANALYST: Ryan Witz
 FISCAL REFERENCE NUMBER: 1441

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$6,255,000	\$6,566,000
STATE FUNDS	\$1,977,250	\$2,075,500
FEDERAL FUNDS	\$4,277,750	\$4,490,500

DESCRIPTION

Purpose:

This policy change estimates the maintenance expenditures and reimbursements for the Medi-Cal Eligibility Data System (MEDS), the statewide database containing eligibility information for public assistance programs administered by the Department and other departments.

Authority:

Not Applicable

Background:

MEDS provides users with the ability to perform multi-program application searches, verify program eligibility status, enroll beneficiaries in multiple programs, and validate information on application status. Funding is required for MEDS Master Client Index maintenance, data matches from various federal and state agencies, Supplemental Security Income termination process support, Medi-Cal application alerts, Medicare Modernization Act Part D buy-in process improvements, eligibility renewal process, and reconciling county eligibility data used to support the counties in Medi-Cal eligibility determination responsibilities.

In addition, maintenance funding is required for the Business Objects software application tool that enables the counties to perform On-Line Statistics and MEDS-alert reporting. Costs are offset by reimbursements made from other departments.

Reason for Change from Prior Estimate:

Projections were revised based on additional actual expenditures.

Methodology:

Not Applicable

Funding:

		GF	FF	TF
FY 2011-12:				
Title XIX 50/50 FFP	4260-101-0001/0890	\$1,086,500	\$1,086,500	\$2,173,000
Title XIX 25/75 FFP	4260-101-0001/0890	\$555,750	\$1,667,250	\$2,223,000
Federal Share	4260-101-0890	\$0	\$1,524,000	\$1,524,000
Reimbursement	4260-610-0995	\$335,000	\$0	\$335,000
Total		\$1,977,250	\$4,277,750	\$6,255,000

MEDI-CAL ELIGIBILITY DATA SYSTEM (MEDS)

OTHER ADMIN. POLICY CHANGE NUMBER: 14

FY 2012-13:		GF	FF	TF
Title XIX 50/50 FFP	4260-101-0001/0890	\$1,140,000	\$1,140,000	\$2,280,000
Title XIX 25/75 FFP	4260-101-0001/0890	\$583,500	\$1,750,500	\$2,334,000
Federal Share	4260-101-0890	\$0	\$1,600,000	\$1,600,000
Reimbursement	4260-610-0995	\$352,000	\$0	\$352,000
Total		\$2,075,500	\$4,490,500	\$6,566,000

CA-MMIS TAKEOVER OTHER STATE TRANSITION COSTS

OTHER ADMIN. POLICY CHANGE NUMBER: 15
 IMPLEMENTATION DATE: 5/2010
 ANALYST: Randolph Alarcio
 FISCAL REFERENCE NUMBER: 1322

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$3,771,000	\$3,736,000
STATE FUNDS	\$451,400	\$447,900
FEDERAL FUNDS	\$3,319,600	\$3,288,100

DESCRIPTION

Purpose:

This policy change estimates the cost related to takeover, replacement, and transition of the California Medicaid Management Information System (CA-MMIS).

Authority:

The project is mandated by the Centers for Medicare & Medicaid Services pursuant to Title XIX of the Federal Social Security Act.

Background:

CA-MMIS is the claims processing system used for Medi-Cal. The current Fiscal Intermediary contract was scheduled to end on June 30, 2011. The Department extended the term of the current contract up to June 30, 2012 through a contract amendment utilizing a non-competitive bid justification. Additional costs will be incurred for CA-MMIS Takeover and Replacement activities which include interfacing with other Departmental mission critical systems such as Medi-Cal Eligibility Data System, Enhanced Medi-Cal Budget Estimate Redesign, State Controller's Office, Management Information System and Decision Support System and Paid Claims and Encounters Standardization applications that will require coordination and resources with other Department Divisions and Agencies. The existing production and test regions will be needed to continue to support the current contract. Network configurations, testing environments (including system and parallel), support for expansion enhancements, and new communication interfaces will be needed to run a parallel system. This transition began in FY 2009-10. The Department will also be required to obtain additional consultative contractor resources for set-up, testing activities, and management of these new environments in support of transition activities during the Takeover and Replacement phases. The CA-MMIS system must ensure timely and accurate claims processing for Medi-Cal providers, without interruption during both phases. The Takeover activities are expected to be completed in FY 2011-12, and the Replacement activities are underway. Consultative contractors and other resources are required to continue the CA-MMIS replacement phase.

Reason for Change from Prior Estimate:

The completion of takeover was delayed for FY 2011-12 due to challenges with procuring required hardware in time to meet project schedules for testing. For FY 2012-13, replacement was added in the May 2012 Estimate.

Methodology:

Fiscal Year	TF	90% FFP	50% FFP	100% GF
FY 2011-12	\$3,771,000	\$3,679,000	\$17,000	\$75,000
FY 2012-13	\$3,736,000	\$3,645,000	\$17,000	\$75,000

CA-MMIS TAKEOVER OTHER STATE TRANSITION COSTS

OTHER ADMIN. POLICY CHANGE NUMBER: 15

Funding:

Title XIX 10/90 FFP (4260-101-0001/0890)

Title XIX 100% GF (4260-101-0001)

Title XXI 50/50 FFP (4260-113-0001/0890)

SSA COSTS FOR HEALTH COVERAGE INFO.

OTHER ADMIN. POLICY CHANGE NUMBER: 16
 IMPLEMENTATION DATE: 1/1989
 ANALYST: Julie Chan
 FISCAL REFERENCE NUMBER: 237

	<u>FY 2011-12</u>	<u>FY 2012-13</u>
TOTAL FUNDS	\$1,501,000	\$1,760,000
STATE FUNDS	\$750,500	\$880,000
FEDERAL FUNDS	\$750,500	\$880,000

DESCRIPTION

Purpose:

This policy change estimates the cost of obtaining Supplemental Security Income/State Supplementary Payment (SSI/SSP) recipient information from the Social Security Administration (SSA).

Authority:

Interagency Agreement

Background:

The Department uses SSI/SSP information from the SSA to defer medical costs to other payors. The SSA administers the SSI/SSP programs. The SSI Program is a federally funded program which provides income support for persons aged 65 or older and qualified blind or disabled children. The SSP is a state program which augments SSI. The Department receives SSI/SSP information about health coverage and assignment of rights to medical coverage from SSA. The SSA bills the Department quarterly for this activity.

Reason for Change from Prior Estimate:

There is no material change.

Methodology:

Not applicable.

	<u>FY 2011-12</u>	<u>FY 2012-13</u>
Cash Basis		
SSA Total Funds	\$1,501,000	\$1,760,000
General Funds	\$750,500	\$880,000

Funding:

Title XIX 50/50 FFP (4260-101-0001/0890)

MMA - DSH ANNUAL INDEPENDENT AUDIT

OTHER ADMIN. POLICY CHANGE NUMBER: 17
 IMPLEMENTATION DATE: 7/2009
 ANALYST: Jennifer Hsu
 FISCAL REFERENCE NUMBER: 266

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$1,200,000	\$1,200,000
STATE FUNDS	\$600,000	\$600,000
FEDERAL FUNDS	\$600,000	\$600,000

DESCRIPTION

Purpose:

This policy change estimates the administrative costs of contracting for annual independent audits of the Disproportionate Share Hospital (DSH) program.

Authority:

Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA)

Background:

The MMA required an annual independent certified audit that primarily certifies:

1. The extent to which DSH hospitals (approximately 150+ hospitals) have reduced their uncompensated care costs to reflect the total amount of claimed expenditures.
2. That DSH payment calculations of hospital-specific limits include all payments to DSH hospitals, including supplemental payments.

The audits will be funded with 50% Federal Financial Participation and 50% General Fund (GF). The Centers for Medicare and Medicaid Services (CMS) released the final regulation and criteria for the annual certified audit in 2008. Each fiscal year's annual audit and report is due to CMS by December 31.

Reason for Change from Prior Estimate:

There is no change.

Methodology:

1. Each fiscal year, all auditing activity will cost \$1,200,000 (\$600,000 GF).
2. In FY 2011-12, the Department will make final payments for the FY 2007-08 audit and partial payment for the FY 2008-09 audit.
3. In FY 2012-13, the Department will make final payment for the FY 2008-09 audit and partial payment for the FY 2009-10 audit.

(In Thousands)	GF	FF	TF
FY 2011-12	\$600	\$600	\$1,200
FY 2012-13:	\$600	\$600	\$1,200

MMA - DSH ANNUAL INDEPENDENT AUDIT

OTHER ADMIN. POLICY CHANGE NUMBER: 17

Funding:

Title XIX 50/50 FFP (4260-101-0001/0890).

PREVENTION OF CHRONIC DISEASE GRANT PROJECT

OTHER ADMIN. POLICY CHANGE NUMBER: 18
 IMPLEMENTATION DATE: 2/2012
 ANALYST: Andrew Yoo
 FISCAL REFERENCE NUMBER: 1635

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$1,128,000	\$2,125,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$1,128,000	\$2,125,000

DESCRIPTION

Purpose:

This policy change budgets the federal funds awarded to the Department by the Centers of Medicare and Medicaid Services (CMS) for the Medicaid Incentives for Prevention of Chronic Diseases (MIPCD) grant project.

Authority:

The Patient Protection and Affordable Care Act, Section 4108

Background:

Section 4108 of the Affordable Care Act authorizes the five-year MIPCD grant project. California's MIPCD proposal, Increasing Quitting among Medi-Cal Smokers, will use outreach and incentives to encourage access to smoking cessation services.

The Department will contract with the University of California, San Francisco (UCSF) to implement, run and evaluate the MIPCD program. The UCSF-hosted California Medicaid Research Institute provides administrative support, coordination of the key UC partners, and contracts directly with the University of California, San Diego (UCSD). UCSD operates the California Smokers' Helpline, which will offer various incentives, such as free counseling and nicotine replacement therapy, to Medi-Cal beneficiaries. The MIPCD project will also provide outreach to Medi-Cal beneficiaries and Medi-Cal providers via The California Diabetes Program, which is administered by the Department of Public Health and UCSF.

Reason for Change from Prior Estimate:

The UC contract was delayed due to revisions.

Methodology:

1. The Department was awarded the MIPCD grant on September 13, 2011 by CMS. A contract with UCSF was secured on January 27, 2012.
2. Projected costs are based on proposed contract amounts with UCSF for administration, implementation and evaluations associated with the MIPCD grant project.

PREVENTION OF CHRONIC DISEASE GRANT PROJECT

OTHER ADMIN. POLICY CHANGE NUMBER: 18

Cash Basis

	<u>TF</u>	<u>FFP</u>
FY 2011-12 *	\$1,128,000	\$1,128,000
FY 2012-13	\$2,125,000	\$2,125,000

Funding:

Title XIX 100% FFP (4260-101-0890)*

MIPCD Federal Grant (4260-107-0890)

SAN DIEGO CO. ADMINISTRATIVE ACTIVITIES

OTHER ADMIN. POLICY CHANGE NUMBER: 19
 IMPLEMENTATION DATE: 7/2002
 ANALYST: Candace Epstein
 FISCAL REFERENCE NUMBER: 258

	<u>FY 2011-12</u>	<u>FY 2012-13</u>
TOTAL FUNDS	\$950,000	\$950,000
STATE FUNDS	\$950,000	\$950,000
FEDERAL FUNDS	\$0	\$0

DESCRIPTION

Purpose:

This policy change estimates the cost of the contract with the County of San Diego for administrative services.

Authority:

Welfare & Institutions Code, sections 14089(g) and 14089.05

Background:

The Department contracts with the County of San Diego to provide administrative services for the San Diego Geographic Managed Care program. The Department reimburses the County for staff, postage, printing, data center access, travel, health care options presentations to explain the enrollment and disenrollment process, customer assistance and problem resolution. Effective August 2003, these services are no longer eligible for federal match. The contract term is July 1, 2007 through June 30, 2014.

Reason for Change from Prior Estimate:

There is no change.

Methodology:

1. Based on contract provisions, the administrative activities costs will be \$950,000 for FY 2011-12 and FY 2012-13.

	<u>FY 2011-12</u>	<u>FY 2012-13</u>
Administrative Activities	\$950,000	\$950,000

Funding:

100% State GF (4260-101-0001)

MEDICARE BUY-IN QUALITY REVIEW PROJECT

OTHER ADMIN. POLICY CHANGE NUMBER: 20
 IMPLEMENTATION DATE: 3/2012
 ANALYST: Julie Chan
 FISCAL REFERENCE NUMBER: 1590

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$667,000	\$2,000,000
STATE FUNDS	\$333,500	\$1,000,000
FEDERAL FUNDS	\$333,500	\$1,000,000

DESCRIPTION

Purpose:

This policy change estimates the cost of a contract with the University of Massachusetts (UMASS) to identify potential overpayments to Centers for Medicare and Medicaid Services (CMS) or Medicare providers related to the Medicare Buy-In process for Medicare/Medi-Cal dual eligibles.

Authority:

Interagency Agreement

Background:

The Department entered into a three-year contract with UMASS on October 1, 2010. UMASS will assist the Department in auditing the invoices received from CMS to pay the Medicare premiums.

The payments to UMASS are contingent upon recovery of overpayments from CMS and Medicare providers. These payments are estimated to be 10% of the amounts recovered.

The savings to the Department due to the amounts recovered are budgeted in the Medicare Buy-In Quality Review Project policy change.

Reason for Change from Prior Estimate:

There is no change.

Methodology:

1. It is assumed the cost of the contractor will be 10% of the amount recovered and payments will begin March 2012.
2. Assume the annual amount recovered will be \$20,000,000 and \$6,667,000 in FY 2011-12.

$$\$20,000,000 \div 12 \times 4 \text{ months} = \$6,667,000 \text{ recovered in FY 2011-12}$$

MEDICARE BUY-IN QUALITY REVIEW PROJECT

OTHER ADMIN. POLICY CHANGE NUMBER: 20

3. It is assumed that the cost of the contractor will be \$667,000 in FY 2011-12 and \$2,000,000 in FY 2012-13.

\$6,667,000 x 10% = \$667,000 FY 2011-12 contractor cost (rounded)

\$20,000,000 x 10% = \$2,000,000 FY 2012-13 contractor cost

	<u>TF</u>	<u>GF</u>
FY 2011-12	\$ 667,000	\$ 333,500
FY 2012-13	\$ 2,000,000	\$ 1,000,000

Funding:

Title XIX 50/50 FFP (4260-101-0001/0890)

POSTAGE AND PRINTING - THIRD PARTY LIAB.

OTHER ADMIN. POLICY CHANGE NUMBER: 21
 IMPLEMENTATION DATE: 7/1996
 ANALYST: Julie Chan
 FISCAL REFERENCE NUMBER: 240

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$639,000	\$611,000
STATE FUNDS	\$319,500	\$305,500
FEDERAL FUNDS	\$319,500	\$305,500

DESCRIPTION

Purpose:

This policy changes estimates the Third Party Liability postage and printing costs.

Authority:

Not applicable

Background:

The Department uses direct mails and specialized reports to identify Medi-Cal beneficiaries with private health insurance, determine the legal liabilities of third parties to pay for services furnished by Medi-Cal, and insure that Medi-Cal is the payor of last resort. The number of forms/questionnaires printed and mailed and report information received correlates to the Medi-Cal caseload.

All forms related to Medicare Operations are available online. Beginning July 2012, the Department will lease a Mail Creation Solution System to process the majority of mailings in house.

Reason for Change from Prior Estimate:

There is no material change.

Methodology:

Not applicable

POSTAGE AND PRINTING - THIRD PARTY LIAB.

OTHER ADMIN. POLICY CHANGE NUMBER: 21

FY 2011-12	Postage	Printing	Total
Personal Injury	\$226,000	\$40,000	\$266,000
Estate Recovery	\$98,000	\$165,000	\$263,000
Overpayments	\$10,000	\$1,000	\$11,000
Cost Avoidance	\$24,000	\$41,000	\$65,000
*AB 155 Invoices	\$25,000	\$9,000	\$34,000
Total (rounded)	\$383,000	\$256,000	\$639,000

FY 2012-13	Postage	Printing	Total
Personal Injury	\$237,000	\$20,000	\$257,000
Estate Recovery	\$103,000	\$149,000	\$252,000
Overpayments	\$11,000	\$1,000	\$12,000
Cost Avoidance	\$5,000	\$1,000	\$6,000
*AB 155 Invoices	\$25,000	\$0	\$25,000
Mail Machine Lease			\$59,000
Total (rounded)	\$381,000	\$171,000	\$611,000

*AB 155 (Chapter 820 Statutes of 1999) requires invoicing for premiums for the 250% Working Disabled Program.

Funding:

Title XIX 50/50 FFP (4260-101-0001/0890)

CCT ENROLLMENT-ADMIN COSTS

OTHER ADMIN. POLICY CHANGE NUMBER: 22
 IMPLEMENTATION DATE: 4/2011
 ANALYST: Julie Chan
 FISCAL REFERENCE NUMBER: 1556

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$50,000	\$689,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$50,000	\$689,000

DESCRIPTION

Purpose:

This policy change budgets the federal funding to cover administrative costs needed to increase the California Community Transitions (CCT) enrollment.

Authority:

Interagency Agreement

Background:

Pursuant to the Patient Protection and Affordable Care Act, the Department was approved on September 3, 2010 for \$750,000 in Money Follows the Person Rebalancing Demonstration supplemental grant funding. This grant funding will be used to implement an assessment tool to improve the ability of Skilled Nursing Facilities/Nursing Facilities, States, and other qualified entities to identify individuals who are interested in returning to the community. The Department will collaborate with the Aging and Disability Resources Connection (ADRC) programs, CCT lead organizations, and other community-based providers to increase CCT enrollment. This supplemental grant funding does not require matching funds. The costs will be 100% federally funded.

Reason for Change from Prior Estimate:

The estimated costs decreased due to a delay in the startup of a new ADRC.

Methodology:

1. Costs began in April 2011 totaling approximately \$11,000 Federal Financial Participation (FFP) during FY 2010-11.
2. Estimated costs are based on proposed contract amounts with ADRC.

Estimated Costs:

	FFP	TF
FY 2011-12	\$50,000	\$50,000
FY 2012-13	\$689,000	\$689,000

Funding:

MFP Federal Grant (4260-106-0890).

HEALTH CARE OPTIONS CONSULTANT COSTS

OTHER ADMIN. POLICY CHANGE NUMBER: 23
 IMPLEMENTATION DATE: 4/2012
 ANALYST: Randolph Alarcio
 FISCAL REFERENCE NUMBER: 1592

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$315,000	\$360,000
STATE FUNDS	\$157,500	\$180,000
FEDERAL FUNDS	\$157,500	\$180,000

DESCRIPTION

Purpose:

This policy change estimates the contract cost for a Health Care Options (HCO) consultant to prepare a Request for Proposal to replace the current enrollment broker contract.

Authority:

Not Applicable

Background:

The HCO consultant will identify the best practices used in other states with enrollment broker contracts, determine the impact of Health Care Reform on the HCO program, and assist in evaluating all options regarding enrollment.

The current enrollment broker contract ends on September 30, 2012, and includes three one-year extension options.

Reason for Change from Prior Estimate:

Implementation date changed from December 2011 to April 2012 due to the delay in negotiations with vendor.

Methodology:

1. Assume the consultant will be hired in March 2012, and the contract will end in February 2015.
2. Total estimated consultant's costs are \$1,380,000.
3. Payments will begin in April 2012.

FY 2011-12: \$315,000 TF (\$157,500 GF)

FY 2012-13: \$360,000 TF (\$180,000 GF)

Funding:

Title XIX 50/50 FFP (4260-101-0001/0890)

RATE STUDIES FOR MAIC AND AAC VENDOR

OTHER ADMIN. POLICY CHANGE NUMBER: 24
 IMPLEMENTATION DATE: 3/2012
 ANALYST: Davonna McClendon
 FISCAL REFERENCE NUMBER: 1483

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$79,000	\$1,000,000
STATE FUNDS	\$39,500	\$500,000
FEDERAL FUNDS	\$39,500	\$500,000

DESCRIPTION

Purpose:

This policy change estimates the cost related to hiring a contractor to survey drug price information from pharmacies.

Authority:

AB 102 (Chapter 29, Statutes of 2011)
 Welfare and Institutions (W&I) Code, sections 14105.45 and 14105.451

Background:

The W&I Code, section 14105.45, requires the Department to establish Maximum Allowable Ingredient Costs (MAIC) on certain generic drugs based on pharmacies' acquisition costs and to update the MAICs at least every three months. AB 102 authorized the Department to develop a new reimbursement methodology for drugs based on a new benchmark, the Average Acquisition Cost (AAC), to replace the Average Wholesale Price.

In order to obtain the information from the providers necessary to establish the MAICs and AACs, the Department will hire a contractor to survey drug price information from Medi-Cal pharmacy providers and update MAICs and AACs on an ongoing basis. A project management contractor will be assigned to oversee the implementation of the AAC vendor program.

Currently, the Department is subject to a court injunction which precludes implementation of the MAIC methodology, as amended by ABX4 5 (Chapter 5, Statutes of 2009). However, MAICs based on the new reimbursement benchmark, AACs, are not subject to that injunction.

Reason for Change from Prior Estimate:

The estimated costs have decreased due to a delay in the contractor procurement process.

Methodology:

1. The project management contractor was hired in February 2012, payments began in March 2012.
2. Assume the AAC vendor contractor will be hired in July 2012, payments will begin on August 2012.
3. Assume the contractors' costs will be \$1,000,000 TF (\$500,000 GF) annually.

RATE STUDIES FOR MAIC AND AAC VENDOR

OTHER ADMIN. POLICY CHANGE NUMBER: 24

4. Estimated contractors' costs are:

	<u>FY 2011-12</u>	<u>FY 2012-13</u>
Project Management Contractor	\$ 79,000	\$ 270,000
AAC Vendor Contractor	\$ 0	\$ 730,000
Total	\$ 79,000	\$1,000,000

Funding:

Title XIX 50/50 FFP (4260-101-0001/0890)

HIPAA CAPITATION PAYMENT REPORTING PROJECT

OTHER ADMIN. POLICY CHANGE NUMBER: 26
 IMPLEMENTATION DATE: 7/2011
 ANALYST: Ryan Witz
 FISCAL REFERENCE NUMBER: 1318

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$300,000	\$1,000,000
STATE FUNDS	\$300,000	\$250,000
FEDERAL FUNDS	\$0	\$750,000

DESCRIPTION

Purpose:

This policy change estimates the contract costs required to make improvements to the existing capitation calculation process in order to stay compliant with new Health Insurance Portability and Accountability Act (HIPAA) transaction requirements (5010).

Authority:

45 CFR Part 162

Background:

The Department currently pays contracted managed care health plans through a manual process which is only capable of reporting capitation amounts at the aid code level or above. HIPAA previously mandated that these types of payments be reported using a standard HIPAA transaction (820 Premium Payments transaction). New HIPAA transaction requirements were implemented on July 1, 2011.

The 5010 requirements will make significant improvements to the existing capitation calculation process while allowing detailed reporting at the beneficiary level, which will increase the effectiveness of monthly reconciliation between Medi-Cal and the contracted managed care plans. The electronic storage of the data will also support research efforts to perform recoveries from the estates of deceased Medi-Cal beneficiaries. Phase 1 of the new HIPAA Capitation Payment Reporting Project (CAPMAN) went into production in July 2011. The old manual system needs to be maintained for one year to process net changes.

Since implementation of CAPMAN, additional functionality is required due to the expansion of Medi-Cal managed care, to support Community-Based Adult Services (CBAS), to support the beneficiaries impacted by the closure of the Lanterman facility, and automation of the accounting interface. It is anticipated that a five year contract is required to bring additional state and vendor staff to work with the Department on CAPMAN system changes. Phase 2 will begin in FY 2012-13.

The HIPAA-1 Advanced Planning Document (APD) expired on June 30, 2010. That APD authorized the Department to request 90% federal match for HIPAA work. After June 30, 2010, the Department continued to receive invoices for HIPAA work. Those invoices were processed at the higher Federal Medical Assistance Percentage. Since the APD had expired, the Department is only eligible for 75% federal match and the Department must repay the federal government for the difference.

Reason for Change from Prior Estimate:

In FY 2011-12, the Department will repay the federal government for the additional funding received while using the expired APD. In FY 2012-13, expansion of CAPMAN will increase the contract costs.

HIPAA CAPITATION PAYMENT REPORTING PROJECT

OTHER ADMIN. POLICY CHANGE NUMBER: 26

Methodology:

FY 2011-12	TF	GF
CMS Repayment*	\$300,000	\$300,000
FY 2012-13	TF	GF
Contract Costs	\$1,000,000	\$250,000

Funding:

Title XIX 25/75 FFP (4260-117-0001/0890)
100% State GF (4260-101-0001)*

ENCRYPTION OF PHI DATA

OTHER ADMIN. POLICY CHANGE NUMBER: 27
 IMPLEMENTATION DATE: 5/2010
 ANALYST: Randolph Alarcio
 FISCAL REFERENCE NUMBER: 1452

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$980,000	\$250,000
STATE FUNDS	\$490,000	\$125,000
FEDERAL FUNDS	\$490,000	\$125,000

DESCRIPTION

Purpose:

This policy change estimates the upgrades to the infrastructure and ongoing costs of maintaining electronic Protected Health Information (PHI).

Authority:

Not applicable

Background:

The Department has acquired hardware, supplies, associated maintenance and support services that are necessary to encrypt electronic data stored on backup tapes. The data on these tapes contain Medi-Cal beneficiary information that is considered confidential and/or PHI by federal and state mandates. The encryption of these tapes will secure and protect Department information assets from unauthorized disclosure; protect the privacy of Medi-Cal beneficiaries; prevent lawsuits from citizens for privacy violations; avoid costs to notify millions of people if a large breach does occur; and maintain its public image and integrity for protecting confidentiality and privacy of information that it maintains on its customers.

In FY 2011-12, the Department plans to upgrade the backup and recovery methods for the current infrastructure by moving from tape backup to the Disk to Disk solution. The upgrade is necessary to take advantage of technologies such as backup to disk, data de-duplication, offsite data replication, and data encryption. These technologies allow the Department to continue to grow and support its virtualization infrastructure and to provide backup and recovery methods for this infrastructure.

Reason for Change from Prior Estimate:

The increase in costs is due to technological upgrades to the system.

Methodology:

1. The estimated cost for upgrades to the infrastructure is \$980,000 in FY 2011-12.
2. The estimated ongoing maintenance cost is \$250,000 annually.
3. The estimated costs are as follows:

	TF	GF
FY 2011-12	\$980,000	\$490,000
FY 2012-13	\$250,000	\$125,000

ENCRYPTION OF PHI DATA
OTHER ADMIN. POLICY CHANGE NUMBER: 27

Funding:

Title XIX 50/50 FFP (4260-101-0001/0890)

MIS/DSS CONTRACT REPROCUREMENT SERVICES

OTHER ADMIN. POLICY CHANGE NUMBER: 28
 IMPLEMENTATION DATE: 4/2012
 ANALYST: Randolph Alarcio
 FISCAL REFERENCE NUMBER: 1615

	<u>FY 2011-12</u>	<u>FY 2012-13</u>
TOTAL FUNDS	\$125,000	\$250,000
STATE FUNDS	\$31,250	\$62,500
FEDERAL FUNDS	\$93,750	\$187,500

DESCRIPTION

Purpose:

This policy change estimates the cost related to hiring a contractor to assess the services to be included in the Management Information System and Decision Support System (MIS/DSS) contract.

Authority:

State Administrative Manual 4821 and 45 Code of Federal Regulations 95.611

Background:

The contract for ongoing development, maintenance, and operation of the MIS/DSS is scheduled to end on February 14, 2014. The Department will contract with a vendor to provide assistance with the reassessment of the scope of services to be included in the reprocurement of the MIS/DSS contract beginning in FY 2011-12. Resources are needed to develop the required project approval documents to achieve required state and federal level approvals and assist in conducting the reprocurement project.

Reason for Change from Prior Estimate:

There was delay in the hiring of the contractor.

Methodology:

FY 2011-12: \$125,000 TF

FY 2012-13: \$250,000 TF

Funding:

Title XIX 25/75 FFP (4260-101-0001/0890)

PEDIATRIC PALLIATIVE CARE WAIVER EVALUATION

OTHER ADMIN. POLICY CHANGE NUMBER: 29
 IMPLEMENTATION DATE: 7/2010
 ANALYST: Andrew Yoo
 FISCAL REFERENCE NUMBER: 1335

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$175,000	\$181,000
STATE FUNDS	\$87,500	\$90,500
FEDERAL FUNDS	\$87,500	\$90,500

DESCRIPTION

Purpose:

This policy change estimates the costs associated with an evaluation of the Pediatric Palliative Care Waiver Pilot Project.

Authority:

AB 1745 (Chapter 330, Statutes of 2006)

Background:

This pilot project required the Department to submit an application for a federal waiver for a Pediatric Palliative Care Pilot Project to Centers for Medicare and Medicaid Services (CMS). The waiver makes available services comparable to those available through hospice that can be provided at the same time the child would receive curative services. The waiver was approved beginning April 1, 2009 through March 31, 2012. The waiver was implemented and began enrollment on January 1, 2010. The Department has submitted a waiver renewal application to CMS for the period of April 1, 2012 through March 31, 2017.

The legislation mandates that the Department evaluate the pilot project, and an independent evaluation of the waiver is also required to meet federal assurances. The evaluation began in July 2010.

Waiver Evaluation Scheduled Costs:

FY 2011-12: \$175,000

FY 2012-13: \$181,000

Reason for Change from Prior Estimate:

There is no material change.

Methodology:

Not Applicable

Funding:

Title XIX FFP 50/50 (4260-101-0001/0890)

RATE STUDY FOR PHYSICIAN-ADMINISTERED DRUGS

OTHER ADMIN. POLICY CHANGE NUMBER: 30
 IMPLEMENTATION DATE: 9/2011
 ANALYST: Davonna McClendon
 FISCAL REFERENCE NUMBER: 1484

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$204,000	\$0
STATE FUNDS	\$102,000	\$0
FEDERAL FUNDS	\$102,000	\$0

DESCRIPTION

Purpose:

This policy change estimates the cost related to hiring a contractor to perform a rate study of the new reimbursement methodology for physician-administered drugs.

Authority:

SB 853 (Chapter 717, Statutes of 2010)
 Welfare and Institutions Code, section 14105.456

Background:

SB 853 established a new reimbursement rate methodology for physician-administered drugs to be reimbursed consistent with the Medi-Cal rate of payment for non-physician-administered pharmaceuticals beginning January 2012. To ensure these rates are in compliance with certain provisions of federal law, the Department must perform a study of the new reimbursement methodology.

Reason for Change from Prior Estimate:

There is no change.

Methodology:

1. The contractor was hired in March 2011.
2. Payments began in September 2011.
3. The total contractor cost is **\$204,000 TF (\$102,000 GF)** in FY 2011-12.

Funding:

Title XIX 50/50 FFP (4260-101-0001/0890)

Q5i AUTOMATED DATA SYSTEM ACQUISITION

OTHER ADMIN. POLICY CHANGE NUMBER: 31
 IMPLEMENTATION DATE: 8/2011
 ANALYST: Ryan Witz
 FISCAL REFERENCE NUMBER: 1440

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$145,000	\$87,000
STATE FUNDS	\$72,500	\$43,500
FEDERAL FUNDS	\$72,500	\$43,500

DESCRIPTION

Purpose:

This policy change estimates the cost of the Q5i system and the ongoing support costs.

Authority:

Not Applicable

Background:

The Department acquired the Q5i automated quality control data system on June 10, 2011. There will be ongoing costs for associated software, maintenance and support. Due to the Improper Payments Act of 2002, the Q5i system will be used to support quality control efforts for the following state and federally mandated programs: Medi-Cal Eligibility Quality Control (MEQC), County Performance Standards, Payment Error Rate Measurement (PERM) and Anti-Fraud/Program Integrity. A contract is required for maintenance and system support costs.

Reason for Change from Prior Estimate:

There were several unanticipated delays in setting up the Q5i system. Delays included: specification requirements for the host server, security concerns, installation delays, and accessibility issues.

Methodology:

1. Assume the ongoing costs will begin March 2012.

	FY 2011-12		FY 2012-13	
	TF	GF	TF	GF
System Cost	\$99,000	\$49,500	\$0	\$0
Ongoing Cost	\$46,000	\$23,000	\$87,000	\$43,500
	\$145,000	\$72,500	\$87,000	\$43,500

Funding:

Title XIX 50/50 FFP (4260-101-0001/0890)

MITA

OTHER ADMIN. POLICY CHANGE NUMBER: 32
 IMPLEMENTATION DATE: 1/2011
 ANALYST: Randolph Alarcio
 FISCAL REFERENCE NUMBER: 1137

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$83,000	\$167,000
STATE FUNDS	\$8,300	\$16,700
FEDERAL FUNDS	\$74,700	\$150,300

DESCRIPTION

Purpose:

This policy change estimates the costs associated with the Medicaid Information Technology Architecture (MITA).

Authority:

Not applicable

Background:

The Centers for Medicare and Medicaid Services (CMS) is requiring the Department to move toward creating flexible systems, which support interactions between the federal government and their state partners. Through MITA, the Department will develop the ability to streamline the process to access information from various systems, which will result in cost effectiveness. CMS will not approve Advanced Planning Documents (APD) or provide federal funding to the Department without adherence to MITA.

The MITA consists of a three-phased transition plan that CMS expects the Department to use to guide the future upgrades and replacements of the entire Medicaid Management Information System (MMIS) or individual components. Each phase may be completed by a different contractor. The Department completed the first phase, the CMS-required MITA State Self-Assessment (SS-A) of business processes to determine the current and long-term business requirements, in June 2008. The second phase, State Medicaid Enterprise Architecture (EA), which is awaiting the results of a Department-wide EA, will result in no additional cost to the Department. The third phase, developing a State Transition and Implementation Plan, began in September 2009. As a condition of approving enhanced federal funding for the MITA SS-A, CMS required the Department to complete the State Transition and Implementation plan. The Department is targeting July 1, 2012 to complete this work. The Department is currently developing EA at the Agency level to address MITA EA activities.

Reason for Change from Prior Estimate:

CMS approval for the MITA APD extension and contract approval took longer than anticipated.

Methodology:

	FY 2011-12	FY 2012-13
Phase 3	\$83,000	\$167,000
Total	\$83,000	\$167,000

Funding:

Title XIX 10/90 FFP (4260-101-0001/0890)

EPOCRATES

OTHER ADMIN. POLICY CHANGE NUMBER: 33
 IMPLEMENTATION DATE: 4/2007
 ANALYST: Davonna McClendon
 FISCAL REFERENCE NUMBER: 1157

	<u>FY 2011-12</u>	<u>FY 2012-13</u>
TOTAL FUNDS	\$126,000	\$119,000
STATE FUNDS	\$63,000	\$59,500
FEDERAL FUNDS	\$63,000	\$59,500

DESCRIPTION

Purpose:

This policy change estimates the cost of a contract with Epocrates Rx™.

Authority:

Not applicable

Background:

Epocrates Rx™ contains important drug list and clinical information for commercial health plans and Medicaid programs throughout the country.

The Department entered into a contract with Epocrates to place Medi-Cal's Contract Drug List (CDL) and up to three other departmental "formularies", for example, Family PACT or AIDS Drug Assistance Program (ADAP), in the Epocrates system for access by subscribers.

Epocrates provides the Department with an opportunity to reach a large network of health professionals via a unique point-of-care clinical reference solution for physicians and other health professionals accessible on both handheld devices and Internet based desktop computers.

<u>Fiscal Year</u>	<u>Expenditures</u>
2011-12	\$ 126,000
2012-13	\$ 119,000

Reason for Change from Prior Estimate:

The estimated costs have decreased based on a newly negotiated contract with Epocrates.

Funding:

Title XIX 50/50 FFP (4260-101-0001/0890)

CCS CASE MANAGEMENT SUPPLEMENTAL PAYMENT

OTHER ADMIN. POLICY CHANGE NUMBER: 34
 IMPLEMENTATION DATE: 7/2012
 ANALYST: Jade Li
 FISCAL REFERENCE NUMBER: 1388

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$0	\$100,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$0	\$100,000

DESCRIPTION

Purpose:

This policy change estimates the county funds expended above the allocations on administrative activities in support of a county's California Children's Services (CCS) Medi-Cal caseload using Certified Public Expenditures (CPE).

Authority:

California Health and Safety Code § 123955(f)
 Code of Federal Regulations, Title 42, 433.51

Background:

County costs for determination of CCS Medi-Cal eligibility, care coordination, utilization management and prior authorization of services are reimbursed by Medi-Cal.

Reason for Change from Prior Estimate:

There is no material change.

Methodology:

- County funds expended above the allocations on administrative activities in support of a county's CCS Medi-Cal caseload may be used as CPE to draw down Title XIX federal financial participation (FFP). It is assumed that no supplemental payments will be needed in FY 2011-12 and \$100,000 will be drawn down with counties' CPE in FY 2012-13.

	FFP
FY 2012-13	\$100,000

- For FY 2011-12, the Medi-Cal CCS County Administration Case Management allocation which funds these reimbursements is \$143,089,000 TF. For FY 2012-13, the allocation is \$143,818,000 TF. See CCS Case Management policy change for more information.

Funding:

Title XIX FFP (4260-101-0890)

TAR POSTAGE

OTHER ADMIN. POLICY CHANGE NUMBER: 35
IMPLEMENTATION DATE: 7/2003
ANALYST: Davonna McClendon
FISCAL REFERENCE NUMBER: 267

	<u>FY 2011-12</u>	<u>FY 2012-13</u>
TOTAL FUNDS	\$95,000	\$90,000
STATE FUNDS	\$47,500	\$45,000
FEDERAL FUNDS	\$47,500	\$45,000

DESCRIPTION

Purpose:

This policy change estimates postage costs for Medi-Cal Treatment Authorization Requests (TAR).

Authority:

Welfare and Institutions Code, section 14103.6

Reason for Change from Prior Estimate:

The estimated costs have decreased based on facilities transitioning to the e-TAR system.

Methodology:

1. TAR postage costs for Medi-Cal are assumed to be \$95,000 for FY 2011-12 based on FY 2010-11 expenditures.
2. For FY 2012-13, the costs for TAR postage are expected to be \$90,000.

Funding:

Title XIX 50/50 FFP (4260-101-0001/0890)

KATIE A. V. DIANA BONTA SPECIAL MASTER

OTHER ADMIN. POLICY CHANGE NUMBER: 36
 IMPLEMENTATION DATE: 7/2009
 ANALYST: Ryan Witz
 FISCAL REFERENCE NUMBER: 1453

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$90,000	\$100,000
STATE FUNDS	\$45,000	\$50,000
FEDERAL FUNDS	\$45,000	\$50,000

DESCRIPTION

Purpose:

This policy changes estimates the special master costs for the *Katie A. v. Diana Bontá* lawsuit settlement. The Special Master is funded by the Department and the California Department of Social Services (CDSS).

Authority:

Not applicable

Background:

On March 14, 2006, the U.S. Central District Court of California issued a preliminary injunction in *Katie A. v. Diana Bontá*, requiring the provision of Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) program “wraparound” and “therapeutic foster care” (TFC) mental health services under the Specialty Mental Health Services waiver to children in foster care or “at risk” of foster care placement. On appeal, the Ninth Circuit Court reversed the granting of the preliminary injunction and remanded the case to District Court. The District Court is reviewing each component service of wraparound and TFC services to determine whether they are mandated Medicaid covered services, and if so, whether the Medi-Cal program effectively provides each mandated component service. The court ordered the parties to engage in further meetings with the court appointed Special Master. The settlement was approved by the court on December 2, 2011. The new series of Special Master meetings began on October 13, 2011.

Reason for Change from Prior Estimate:

The new series of Special Master meetings began earlier than expected in the November estimate.

Methodology:

1. Assume the new Special Master costs are \$180,000 for FY 2011-12 and \$200,000 for FY 2012-13.
2. The Special Master costs will be split with CDSS and each department will pay 50% of the costs.

	FY 2011-12		FY 2012-13	
	TF	GF	TF	GF
Special Master Costs	\$ 90,000	\$ 45,000	\$ 100,000	\$ 50,000

Funding:

Title XIX 50/50 FFP (4260-101-0001/0890)

EMILY Q. SPECIAL MASTER

OTHER ADMIN. POLICY CHANGE NUMBER: 37
 IMPLEMENTATION DATE: 7/2009
 ANALYST: Ryan Witz
 FISCAL REFERENCE NUMBER: 1298

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$18,000	\$0
STATE FUNDS	\$9,000	\$0
FEDERAL FUNDS	\$9,000	\$0

DESCRIPTION

Purpose:

This policy change estimates the special master costs related to the Emily Q. litigation.

Authority:

Not applicable

Background:

The Department is currently engaged in the implementation of the Emily Q. litigation. Emily Q. is a class action case for children in foster care that was filed in Federal Court in Los Angeles in 1999. The case was settled in 2002 and the parties have been working towards finalizing implementation pursuant to the stipulated settlement. The Department was ordered to provide individualized comprehensive home and community-based mental health benefits and services to Medicaid-eligible children as required under the Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) program. The court ordered the parties to collaborate on a plan for increasing "therapeutic behavior services" (TBS) utilization, and appointed a special master to assist the parties in resolving the outstanding issues. The appointment began in March 2008. Under the court order, the Department is required to pay all costs incurred by the special master and plaintiff's attorney fees. A final payment of \$18,000 was made in August 2011.

Reason for Change from Prior Estimate:

There is no change.

Methodology:

	FY 2011-12	
Special Master	\$18,000	

Funding:

Title XIX 50/50 FFP (4260-101-0001/0890)

DISEASE MANAGEMENT PROGRAM

OTHER ADMIN. POLICY CHANGE NUMBER: 38
 IMPLEMENTATION DATE: 7/2011
 ANALYST: Andrew Yoo
 FISCAL REFERENCE NUMBER: 1002

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$113,000	\$0
STATE FUNDS	\$56,500	\$0
FEDERAL FUNDS	\$56,500	\$0

DESCRIPTION

Purpose:

This policy change estimates the contractor costs for the Disease Management (DM) pilot programs.

Authority:

Welfare & Institutions Code, section 14132.27

Background:

The Department is required to test the efficacy of providing a disease management benefit to fee-for-service Medi-Cal beneficiaries. The Department opted to base the pilot on the administrative model, as opposed to a model that requires a waiver. The effectiveness of this benefit includes demonstration of the cost neutrality of the program.

The Department entered into a contract with McKesson Health Solutions to serve as the program contractor for Disease Management 1 (DM1). Enrollment into DM1 began on August 1, 2007. This contract covers the following conditions: advanced atherosclerotic disease syndrome, asthma, coronary artery disease, congestive heart failure, diabetes and chronic obstructive pulmonary disease. The DM1 contract ended on November 30, 2010. A second contract with Positive Health Care (PHC) which focused on individuals diagnosed with HIV/AIDS separately (DM2) began services in February 2009. PHC has suspended its operations effective December 31, 2009. The PHC contract expired February 1, 2011.

Reason for Change from Prior Estimate:

The actual amount of assessment fees became available.

Methodology:

1. The DM1 contract was awarded in February 2007. Payments began in September 2007.
2. DM2 beneficiary services began in February 2009 and ended on December 31, 2009. Payments began in April 2009 and final payments were made in FY 2010-11.
3. Each contract is capped at \$4,000,000 per year for three years of beneficiary services (total of \$12,000,000 per contract).
4. The assessment is capped at \$1,333,000 over the life of project.
5. The final payment for the assessment was made in FY 2011-12.
6. The assessment start-up costs began in September 2007 for the evaluation of both pilots.

DISEASE MANAGEMENT PROGRAM

OTHER ADMIN. POLICY CHANGE NUMBER: 38

Contract	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12
DM1	\$2,738,000	\$3,420,000	\$4,079,000	\$760,000	\$0
DM2	\$0	\$19,000	\$124,000	\$0	\$0
Assessment	\$397,000	\$273,000	\$405,000	\$230,000	\$113,000
Total	\$3,135,000	\$3,712,000	\$4,608,000	\$990,000	\$113,000

Funding:

Title XIX 50/50 FFP (4260-101-0001/0890)

PERSONAL CARE SERVICES

OTHER ADMIN. POLICY CHANGE NUMBER: 39
IMPLEMENTATION DATE: 4/1993
ANALYST: Julie Chan
FISCAL REFERENCE NUMBER: 236

	<u>FY 2011-12</u>	<u>FY 2012-13</u>
TOTAL FUNDS	\$231,641,000	\$258,376,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$231,641,000	\$258,376,000

DESCRIPTION

Purpose:

This policy change provides Title XIX federal financial participation (FFP) to the California Department of Social Services (CDSS) for the county cost of administering the In-Home Supportive Services (IHSS) Personal Care Services Program (PCSP) Independence Plus Option (IPO) and IHSS Case Management & Information Payrolling System II (CMIPS II).

Authority:

Interagency Agreement

Background:

The IHSS program enables eligible individuals to remain safely in their own homes as an alternative to out-of-home care. The IHSS program includes PCS and IPO services. PCS and IPO programs provide benefits that include domestic services, non-medical personal care services and supportive services. The Medi-Cal program includes PCS in its schedule of benefits.

CMIPS II is used to authorize IHSS payments and provides CDSS and the counties with information such as wages, taxes, hours per case, cost per hour, caseload and funding ratios.

Reason for Change from Prior Estimate:

Updated information was provided by CDSS.

PERSONAL CARE SERVICES
OTHER ADMIN. POLICY CHANGE NUMBER: 39

The estimates below were provided by CDSS.

CASH BASIS

FY 2011-12	DHCS FFP	CDSS GF	County Match	IA #
EW Time & Health Related	\$214,603,000	\$150,222,000	\$64,381,000	03-75676
CMIPS II	\$17,038,000	\$9,882,000	\$0	03-75676
TOTAL	\$231,641,000	\$160,104,000	\$64,381,000	
FY 2012-13	DHCS FFP	CDSS GF	County Match	IA #
EW Time & Health Related	\$216,902,000	\$151,831,000	\$65,071,000	03-75676
CMIPS II	\$41,474,000	\$24,055,000	\$0	03-75676
TOTAL	\$258,376,000	\$175,886,000	\$65,071,000	

Funding:

Title XIX 100% FFP (4260-101-0890)

HEALTH RELATED ACTIVITIES

OTHER ADMIN. POLICY CHANGE NUMBER: 40
IMPLEMENTATION DATE: 7/1992
ANALYST: Julie Chan
FISCAL REFERENCE NUMBER: 233

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$196,148,000	\$198,581,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$196,148,000	\$198,581,000

DESCRIPTION

Purpose:

This policy change provides Title XIX federal financial participation (FFP) to the California Department of Social Services (CDSS) for certain health-related activities provided by county social workers.

This policy change reflects the 100% FFP provided to CDSS via interagency agreements (IAs).

Authority:

Interagency Agreement

Background:

The health-related services involve helping Medi-Cal eligibles to access covered medical services or maintain current treatment levels in these program areas: 1) Child Welfare Services (CWS); 2) Child Welfare Services Case Management System (CWS/CMS); 3) County Services Block Grant (CSBG); and 4) Adult Protective Services (APS).

Reason for Change from Prior Estimate:

Updated estimates were provided by CDSS.

The estimates below were provided by CDSS.

CASH BASIS

FY 2011-12	DHCS FFP	CDSS GF	County Match	IA #
CWS	\$121,307,000	\$84,914,000	\$36,392,000	01-15931
CWS/CMS	\$4,972,000	\$4,235,000	\$0	06-55834
CSBG/APS	\$69,869,000	\$48,909,000	\$20,961,000	01-15931
TOTAL	\$196,148,000	\$138,058,000	\$57,353,000	

HEALTH RELATED ACTIVITIES

OTHER ADMIN. POLICY CHANGE NUMBER: 40

FY 2012-13	DHCS FFP	CDSS GF	County Match	IA #
CWS	\$121,008,000	\$84,705,000	\$36,302,000	01-15931
CWS/CMS	\$4,976,000	\$4,576,000	\$0	06-55834
CSBG/APS	\$72,597,000	\$50,818,000	\$21,779,000	01-15931
TOTAL	\$198,581,000	\$140,099,000	\$58,081,000	

Funding:

Title XIX 100% FFP (4260-101-0890)

DEPARTMENT OF MENTAL HEALTH ADMIN. COSTS

OTHER ADMIN. POLICY CHANGE NUMBER: 41
 IMPLEMENTATION DATE: 7/1997
 ANALYST: Betty Lai
 FISCAL REFERENCE NUMBER: 255

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$168,646,000	\$165,883,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$168,646,000	\$165,883,000

DESCRIPTION

Purpose:

This policy change estimates the Title XIX federal financial participation (FFP) for the California Department of Mental Health (CDMH) administrative costs related to specialty mental health services provided to Medi-Cal eligibles.

Authority:

Interagency Agreement

Background:

The CDMH coordinates with the Department to obtain FFP for the administrative costs for services provided to Medi-Cal beneficiaries. CDMH budgets the matching General Fund (GF). Effective July 1, 2012, the CDMH administrative staff and associated federal funding will be shifted to the Department's state operations.

The estimates below were provided by CDMH.

Reason for Change from Prior Estimate:

Revised based on additional information from CDMH.

CASH BASIS

	FY 2011-12		FY 2012-13	
County SDMC Admin.	\$111,593,000		\$122,608,000	
EPSDT-TBS Admin.	\$456,000		\$456,000	
Healthy Families Admin. (2)	\$1,887,000		\$1,415,000	
MC Admin. Activ. (MAA)	\$23,098,000		\$25,071,000	
Quality Assurance/Util. Review	\$15,841,000		\$16,333,000	
Admin. Costs	\$8,151,000		\$0	
CA Health Interview Survey	\$455,000		\$0	
HIPAA (1)	\$1,141,000		\$0	
PASRR	\$6,024,000		\$0	
Total	\$168,646,000		\$165,883,000	

	DHCS FFP	CDMH GF	County Match	IA #
FY 2011-12	\$168,646,000	\$11,775,000	\$137,543,000	02-25271
FY 2012-13	\$165,883,000	\$0	\$149,931,000	02-25271

DEPARTMENT OF MENTAL HEALTH ADMIN. COSTS

OTHER ADMIN. POLICY CHANGE NUMBER: 41

Funding:

Title XIX 100% FFP (4260-101-0890)

Title XIX 100% FFP (4260-117-0890) (1)

Title XXI 100% FFP (4260-113-0890) (2)

CDDS ADMINISTRATIVE COSTS

OTHER ADMIN. POLICY CHANGE NUMBER: 42
 IMPLEMENTATION DATE: 7/1997
 ANALYST: Randolph Alarcio
 FISCAL REFERENCE NUMBER: 243

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$36,992,000	\$41,388,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$36,992,000	\$41,388,000

DESCRIPTION

Purpose:

This policy change estimates the federal match for the California Department of Developmental Services (CDDS) administrative costs.

Authority:

Interagency Agreement (IA)

Background:

CDDS administrative costs are comprised of Developmental Centers (DC) Medi-Cal Administration, Developmental Centers Medi-Cal Eligibility Contract, Home and Community Based Services (HCBS) Waiver Administration, Regional Centers (RC) Medicaid Administration, Regional Centers Nursing Home Reform (NHR), Targeted Case Management (TCM), and Independence Plus Self Directed Services Waiver Administration.

The General Fund is in the CDDS budget on an accrual basis, the federal funds in the Department's budget are on a cash basis.

Reason for Change from Prior Estimate:

Updated data from CDDS.

Methodology:

1. CDDS provides the following cash estimates of its administrative cost components:

	(In Thousands) FY 2011-12	DHCS FFP	CDDS GF	IA #
1	DC/SOSF Medi-Cal Admin.	\$6,256	\$6,256	03-75282/83
	DC/SOSF HIPAA*	\$156	\$0	03-75282/83
2	DC/SOSF MC Elig. Contract	\$503	\$503	01-15378
3	HCBS Waiver Admin.	\$10,479	\$10,479	01-15834
4	RC Medicaid Admin.	\$14,282	\$4,760	03-75734
5	NHR Admin.	\$119	\$119	03-75285
6	TCM HQ Admin.	\$249	\$249	03-75284
	TCM RC Admin.	\$4,310	\$4,310	03-75284
	TCM HIPAA*	\$638	\$0	03-75284
	Total	\$36,992	\$26,676	

CDDS ADMINISTRATIVE COSTS

OTHER ADMIN. POLICY CHANGE NUMBER: 42

(In Thousands) FY 2012-13	DHCS FFP	CDDS GF	IA #
1 DC/SOSF Medi-Cal Admin.	\$6,302	\$6,302	03-75282/83
DC/SOSF HIPAA*	\$156	\$0	03-75282/83
2 DC/SOSF MC Elig. Contract	\$526	\$526	01-15378
3 HCBS Waiver Admin.	\$16,333	\$16,333	01-15834
4 RC Medicaid Admin.	\$12,932	\$4,311	03-75734
5 NHR Admin.	\$164	\$164	03-75285
6 TCM HQ Admin.	\$363	\$363	03-75284
TCM RC Admin.	\$3,974	\$3,974	03-75284
TCM HIPAA*	\$638	\$0	03-75284
Total	\$41,388	\$31,973	

Funding:

Title XIX 100% FMAP (4260-101-0890)

HIPAA 100% Federal (4260-117-0890)*

MATERNAL AND CHILD HEALTH

OTHER ADMIN. POLICY CHANGE NUMBER: 43
 IMPLEMENTATION DATE: 7/1992
 ANALYST: Randolph Alarcio
 FISCAL REFERENCE NUMBER: 234

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$35,783,000	\$26,519,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$35,783,000	\$26,519,000

DESCRIPTION

Purpose:

This policy change estimates the federal match provided to the California Department of Public Health (CDPH) for the Maternal, Child and Adolescent Health (MCAH) programs.

Authority:

Interagency agreement (IA)

Background:

The MCAH includes the following programs:

- Black Infant Health (BIH): Group intervention and case management services to pregnant and parenting African-American Medi-Cal eligible women in an effort to reduce the high death rate for African American infants.
- Comprehensive Perinatal Services Program (CPSP): Provides a wide range of services to Medi-Cal pregnant women, from conception through 60 days postpartum.
- Prenatal Care Guidance (PCG): Case management services for improved access to early obstetrical care for Medi-Cal eligible pregnant women.
- Scope of Work (SOW) Local Program Activities: Perinatal education, services, and referral provided to Medi-Cal eligible women.
- Adolescent Family Life Program (AFLP): Case management services for Medi-Cal eligible pregnant teens including education and prevention of subsequent pregnancies.

Reason for Change from Prior Estimate:

No material change.

Methodology:

1. Local agencies match Title XIX federal funds with Certified Public Expenditures (CPE).
2. The FY 2011-12 budgeted amounts include \$3,857,000 for FY 2009-10 and \$15,607,000 for FY 2010-11.
3. The FY 2012-13 budgeted amounts include \$2,679,000 for FY 2010-11 and \$8,781,000 for FY 2011-12 in remaining payments.

MATERNAL AND CHILD HEALTH
OTHER ADMIN. POLICY CHANGE NUMBER: 43

4. The following estimates have been provided on a cash basis by CDPH.

FY 2011-12	DHCS FFP	County Match	IA #
BIH	\$5,170,000	\$4,351,000	07-65592
CPSP, PCG & SOW	\$28,613,000	\$20,180,000	
AFLP	\$2,000,000	\$1,833,000	
Total	\$35,783,000	\$26,364,000	

FY 2012-13	DHCS FFP	County Match	IA #
BIH	\$3,316,000	\$2,787,000	07-65592
CPSP, PCG & SOW	\$21,711,000	\$15,398,000	
AFLP	\$1,492,000	\$1,367,000	
Total	\$26,519,000	\$19,552,000	

Funding:

Title XIX 100% FFP (4260-101-0890)

HEALTH CARE PROGRAM FOR CHILDREN IN FOSTER CARE

OTHER ADMIN. POLICY CHANGE NUMBER: 44
 IMPLEMENTATION DATE: 7/1999
 ANALYST: Andrew Yoo
 FISCAL REFERENCE NUMBER: 246

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$19,540,000	\$18,150,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$19,540,000	\$18,150,000

DESCRIPTION

Purpose:

This policy change budgets the Title XIX federal financial participation (FFP) for a Health Care Program for Children in Foster Care (HCPCFC) General Fund appropriation in the Department of Social Services' (CDSS) budget which CDSS passes through the Department via an interagency agreement for support of health care coordination for children in foster care provided by local Child Health and Disability Prevention (CHDP) program public health nurses.

Authority:

Welfare and Institutions Code, section 16501.3
 Interagency Agreement (IA) 10-87071

Background:

On October 7, 2008, Public Law (P.L.) 110-351, the Fostering Connections to Success and Increasing Adoptions Act of 2008, was signed into law. P.L. 110-351 is an amendment to the Social Security Act to connect and support relative caregivers, provide for tribal foster care and adoption access, and improve incentives for adoption. On January 1, 2010, the Department, through CDSS, implemented the new requirements to provide Health Oversight and Coordination.

The Budget Act of 1999 authorized California to establish a program whereby foster care public health nurses would help foster care children access health-related services. This program is administered by the Department's Children's Medical Services Branch. The public health nurses are employed by the counties. The General Fund is budgeted in the CDSS budget. FFP is drawn down at the skilled professional medical staff enhanced rate of 75% and passes the aggregate funding through the local CHDP programs for support of the HCPCFC.

CASH BASIS

	DHCS FFP	Local Revenue Fund	IA#
FY 2011-12	\$19,540,000	\$6,448,000	10-87071
		Local Revenue Fund	IA#
FY 2012-13	\$18,150,000	\$5,990,000	10-87071

Reason for Change from Prior Estimate:

There is no material change.

**HEALTH CARE PROGRAM FOR CHILDREN IN FOSTER
CARE**

OTHER ADMIN. POLICY CHANGE NUMBER: 44

Funding:

Title XIX 100% FFP (4260-101-0890)

ADMINISTRATIVE COSTS FOR CCT

OTHER ADMIN. POLICY CHANGE NUMBER: 45
 IMPLEMENTATION DATE: 11/2011
 ANALYST: Julie Chan
 FISCAL REFERENCE NUMBER: 1553

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$1,200,000	\$3,537,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$1,200,000	\$3,537,000

DESCRIPTION

Purpose:

This policy change estimates the federal funding to be provided to the California Department of Developmental Services (CDDS) for positions that will focus on transitioning beneficiaries from State Developmental Centers to the community as part of the California Community Transitions (CCT) project.

Authority:

Interagency Agreement

Background:

The Department was approved to provide 100% federal funding for administrative costs under the Money Follows the Person (MFP) Rebalancing Demonstration Grant. The grant funds 34 Regional Center positions that will focus on transitioning beneficiaries from the Lanterman Developmental Centers. These positions will focus on educating consumers regarding home and community-based services and transitioning beneficiaries from nursing facilities to the community via the CCT project, MFP Demonstration Grant.

Reason for Change from Prior Estimate:

Reduction in funding is due to Centers for Medicare and Medicaid Services not approving the additional request for positions.

Methodology:

Not applicable

Cost estimates provided by CDDS.

Estimated Costs:

	FY 2011-12	FY 2012-13
Total	\$1,200,000	\$3,537,000

Funding:

100% Federal Grant (4260-106-0890)

FFP FOR DEPARTMENT OF PUBLIC HEALTH SUPPORT COSTS

OTHER ADMIN. POLICY CHANGE NUMBER: 46
 IMPLEMENTATION DATE: 7/2007
 ANALYST: Randolph Alarcio
 FISCAL REFERENCE NUMBER: 1192

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$15,281,000	\$14,360,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$15,281,000	\$14,360,000

DESCRIPTION

Purpose:

This policy change estimates the Title XIX federal financial participation (FFP) to be provided to the California Department of Public Health (CDPH) for administrative costs related to services provided to Medi-Cal beneficiaries.

Authority:

Interagency Agreement (IA)

Background:

The Department, which administers the Medi-Cal program, entered into an IA with CDPH to allow for the provision of federal funds as a reimbursement to CDPH. The non-federal matching funds will be budgeted by CDPH.

Reason for Change from Prior Estimate:

The increase in cost is due to the execution of a new reimbursement contract with the Department.

Methodology:

1. Assume the General Fund match is provided by CDPH.
2. The estimates were provided by CDPH.

CASH BASIS

(In Thousands)

	FY 2011-12			FY 2012-13		
	DHCS FFP	CDPH GF	Other Match	DHCS FFP	CDPH GF	Other Match
Office of Family Planning	\$2,625	\$2,625		\$2,179	\$2,179	
Office of AIDS	\$554	\$554		\$554	\$554	
Childhood Lead Prevention Program	\$1,503	\$0	\$1,503	\$1,028	\$0	\$1,028
Center for Health Statistics	\$672	\$0	\$672	\$672	\$0	\$672
Licensing and Certification	\$9,927	\$0	\$9,927	\$9,927	\$0	\$9,927
Total	\$15,281	\$3,179	\$12,102	\$14,360	\$2,733	\$11,627

Funding:

Title XIX 100% FFP (4260-101-0890)

CLPP CASE MANAGEMENT SERVICES

OTHER ADMIN. POLICY CHANGE NUMBER: 47
 IMPLEMENTATION DATE: 7/1997
 ANALYST: Randolph Alarcio
 FISCAL REFERENCE NUMBER: 239

	<u>FY 2011-12</u>	<u>FY 2012-13</u>
TOTAL FUNDS	\$5,575,000	\$4,200,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$5,575,000	\$4,200,000

DESCRIPTION

Purpose:

The policy change estimates the federal match provided to the California Department of Public Health (CDPH) for administrative costs associated with Childhood Lead Poisoning Prevention (CLPP) Program case management services.

Authority:

Interagency agreement

Background:

The CLPP Program provides case management services utilizing revenues collected from fees. The revenues are distributed to county governments which provide the case management services. Some of these services are provided to Medi-Cal eligibles. To the extent that local governments provide case management services to Medi-Cal eligibles, federal matching funds can be claimed. The federal match is provided to CDPH through interagency agreement #07-65689.

Reason for Change from Prior Estimate:

There is no change.

Methodology:

- The estimates are provided by CDPH on a cash basis.

	<u>FY 2011-12</u>	<u>DHCS FFP</u>	<u>CDPH CLPP Fee Funds</u>
Administrative Costs	\$5,575,000		\$4,284,000
	<u>FY 2012-13</u>	<u>DHCS FFP</u>	<u>CDPH CLPP Fee Funds</u>
Administrative Costs	\$4,200,000		\$3,221,000

Funding:

Title XIX FFP (4260-101-0890)

DEPARTMENT OF SOCIAL SERVICES ADMIN COST

OTHER ADMIN. POLICY CHANGE NUMBER: 48
 IMPLEMENTATION DATE: 7/2002
 ANALYST: Julie Chan
 FISCAL REFERENCE NUMBER: 256

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$4,583,000	\$5,563,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$4,583,000	\$5,563,000

DESCRIPTION

Purpose:

This policy change provides Title XIX federal financial participation (FFP) to the California Department of Social Services (CDSS) for administering various programs to Medi-Cal beneficiaries.

Authority:

Interagency Agreement (IA)

Background:

These costs cover the administration of the In-Home Supportive Services Personal Care Services Program (IHSS PCSP), the Child Welfare Services/Case Management System (CWS/CMS), Independence Plus State Plan Option Section 1915(j) (IPO), Statewide Automated Welfare System (SAWS) and the California Community Transitions-Money Follows the Persons (CCT). The CDSS coordinates with the Department to provide FFP to CDSS for the services related to Medi-Cal beneficiaries. CDSS budgets the matching General Fund (GF).

Reason for Change:

Fiscal year 2011-12 costs are reduced due to additional expenditure data.

The estimates below were provided by CDSS.

CASH BASIS

	DHCS FFP	CDSS GF	IA #
IHSS PCSP	\$2,988,000	\$2,988,000	03-75676
IHSS Health Related	\$17,000	\$17,000	01-15931
CWS/CMS for Medi-Cal	\$118,000	\$118,000	06-55834
IHSS Plus Option Sec. 1915(j)	\$1,267,000	\$1,267,000	09-86307
SAWS	\$193,000	\$193,000	04-35639
TOTAL	\$4,583,000	\$4,583,000	

DEPARTMENT OF SOCIAL SERVICES ADMIN COST

OTHER ADMIN. POLICY CHANGE NUMBER: 48

FY 2012-13	DHCS FFP	CDSS GF	IA #
IHSS PCSP	\$3,220,000	\$3,220,000	03-75676
IHSS Health Related	\$17,000	\$17,000	01-15931
CWS/CMS for Medi-Cal	\$127,000	\$127,000	06-55834
IHSS Plus Option Sec. 1915(j)	\$1,685,000	\$1,685,000	09-86307
SAWS	\$236,000	\$236,000	04-35639
CA Community Transitions- Money Follows the Person	\$278,000	\$278,000	11-88127
TOTAL	\$5,563,000	\$5,563,000	

Funding:

Title XIX 100% FFP (4260-101-0890)

DRUG MEDI-CAL - CDADP ADMIN.

OTHER ADMIN. POLICY CHANGE NUMBER: 49
 IMPLEMENTATION DATE: 7/1997
 ANALYST: Davonna McClendon
 FISCAL REFERENCE NUMBER: 254

	<u>FY 2011-12</u>	<u>FY 2012-13</u>
TOTAL FUNDS	\$4,019,000	\$0
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$4,019,000	\$0

DESCRIPTION**Purpose:**

This policy change estimates the Title XIX federal financial participation (FFP) to be provided to the California Department of Alcohol and Drug Programs (CDADP) for administrative costs related to services provided under the Drug/Medi-Cal program.

Authority:

Interagency Agreement (IA)

Background:

The Drug/Medi-Cal program provides substance abuse treatment services to Medi-Cal beneficiaries in an outpatient setting.

Drug/Medi-Cal services are reimbursed on a fee-for-service basis. These community treatment services are carved out from the regular Medi-Cal program and are administered by the CDADP.

Reason for Change from Prior Estimate:

There is no change.

Methodology:

1. The General Fund (GF) match is budgeted in the CDADP budget.
2. The estimates on a cash basis were provided by CDADP.
3. Effective July 1, 2012, the CDADP administrative staff and associated federal funding will be shifted to the Department's state operations.

	<u>FY 2011-12</u>	<u>DHCS FFP</u>	<u>CDADP GF</u>	<u>IA #</u>
Support		\$3,581,000	\$3,581,000	04-35640
HIPAA*		\$438,000	\$439,000	04-35640
Total		\$4,019,000	\$4,020,000	

Funding:

Title XIX 100% FFP (4260-101-0890)

HIPAA Federal Share Only (4260-117-0890)*

DEPARTMENT OF AGING ADMINISTRATIVE COSTS

OTHER ADMIN. POLICY CHANGE NUMBER: 50
IMPLEMENTATION DATE: 7/1984
ANALYST: Julie Chan
FISCAL REFERENCE NUMBER: 253

	<u>FY 2011-12</u>	<u>FY 2012-13</u>
TOTAL FUNDS	\$3,152,000	\$3,140,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$3,152,000	\$3,140,000

DESCRIPTION

Purpose:

This policy change estimates the Title XIX federal financial participation (FFP) provided to the California Department of Aging (CDA) for administrative costs related to services provided to Medi-Cal eligibles in Adult Day Health Care (ADHC), Community-Based Adult Services (CBAS), and the Multipurpose Senior Services Program (MSSP).

Authority:

Interagency Agreement

Background:

The CDA coordinates with the Department to obtain FFP for the administrative costs for services related to Medi-Cal beneficiaries. CDA budgets the matching General Fund (GF).

Reason for Change from Prior Estimate:

There is no material change.

Methodology:

Not applicable

DEPARTMENT OF AGING ADMINISTRATIVE COSTS

OTHER ADMIN. POLICY CHANGE NUMBER: 50

The estimates below were provided by CDA.

CASH BASIS

(In Thousands)

ADHC/CBAS Support	FY 2011-12		FY 2012-13	
	FFP	CDA GF	FFP	CDA GF
FY 2010-11 DOS	\$3	\$3		
FY 2011-12 DOS	\$1,886	\$1,600	\$210	\$178
FY 2012-13 DOS			\$1,610	\$1,327
Total ADHC	\$1,889	\$1,603	\$1,820	\$1,505
MSSP Support				
FY 2010-11 DOS	\$3	\$1		
FY 2011-12 DOS	\$1,260	\$1,074	\$140	\$119
FY 2012-13 DOS			\$1,180	\$1,085
Total MSSP	\$1,263	\$1,075	\$1,320	\$1,204
Grand Total	\$3,152	\$2,678	\$3,140	\$2,709

Funding:

Title XIX FFP (4260-101-0890)

SINGLE POINT OF ENTRY - MEDI-CAL/HFP

OTHER ADMIN. POLICY CHANGE NUMBER: 51
 IMPLEMENTATION DATE: 4/1999
 ANALYST: Ryan Witz
 FISCAL REFERENCE NUMBER: 245

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$2,055,000	\$1,796,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$2,055,000	\$1,796,000

DESCRIPTION

Purpose:

This policy change estimates the federal match provided to Managed Risk Medical Insurance Board (MRMIB) for screening Single Point of Entry (SPE) and Child Health & Disability Prevention (CHDP) Gateway applications for either Medi-Cal or Healthy Families Program (HFP).

Authority:

Interagency Agreement (IA)

Background:

The Department and MRMIB developed an application form for the HFP, which is also used as a screening tool for the Medi-Cal children's percent programs. Completed applications are sent to the SPE to screen and forwarded to either the county welfare departments (CWD) for a Medi-Cal determination for the children's percent programs, or to the HFP. MRMIB has contracted with MAXIMUS as the SPE, and MRMIB is reimbursed through an IA with the Department.

The CHDP Gateway program was implemented July 1, 2003, to help ensure that all children have access to medical care. Through this program, children who receive a CHDP screen are pre-enrolled (PE) in Medi-Cal or HFP. Each PE child's family that indicates a desire for ongoing Medi-Cal/HFP coverage is sent a cover letter and Healthy Families application. The application is returned to the SPE and is screened for the Medi-Cal children's percent programs and forwarded to the CWD for a Medi-Cal determination or to HFP.

Effective October 1, 2012, the HFP will cease to enroll new applicants and will be phased-out over a nine-month period. Children enrolled in the HFP will be transitioned to the Medi-Cal Program as targeted low-income children.

Reason for Change from Prior Estimate:

Updated telephone services and application processing/ mailing costs for SPE were provided by MRMIB.

Methodology:

1. This estimate is based on actual usage of the Medi-Cal/HFP application; and actual processing, postage, and vendor contract rates and services.
2. MRMIB estimates the number of applications forwarded to CWDs for Medi-Cal only processing, and the federal funding of ongoing SPE costs for those applications.

SINGLE POINT OF ENTRY - MEDI-CAL/HFP

OTHER ADMIN. POLICY CHANGE NUMBER: 51

3. Telephone and pre-printed application costs for FY 2011-12 and FY 2012-13 are based on the average actual ratio of 30% Medi-Cal to 70% HFP applications in SPE Report #MM-029 as of February 2, 2012.
4. MRMIB estimates that an additional 31,376 children discontinued from HFP in FY 2011-12 and 30,647 in FY 2012-13 will be pre-enrolled in Medi-Cal and have their applications forwarded to CWDs due to the elimination of the HFP to Medi-Cal Bridge effective July 1, 2007. These application costs are included in the estimates below.

FY 2011-12

Applications for M/C processing: 133,445	MRMIB GF	DHCS FFP
SPE Application Processing/Mailing	\$1,269,000	\$1,269,000
SPE Telephone Services ¹	\$1,382,000	\$525,000
Pre-Printed Applications ¹	\$13,000	\$5,000
Elimination of HFP to Medi-Cal Bridge	\$256,000	\$256,000
Total	\$2,920,000	\$2,055,000

FY 2012-13

Applications for M/C processing: 127,658	MRMIB GF	DHCS FFP
SPE Application Processing/Mailing	\$1,230,000	\$1,229,000
SPE Telephone Services ¹	\$1,315,000	\$499,000
Pre-Printed Applications ¹	\$12,000	\$4,000
Elimination of HFP to Medi-Cal Bridge	\$64,000	\$64,000
Total	\$2,621,000	\$1,796,000

Funding:

Title XIX Federal Share (4260-101-0890)

¹Title XXI Federal Share (4260-113-0890)

VETERANS BENEFITS

OTHER ADMIN. POLICY CHANGE NUMBER: 52
 IMPLEMENTATION DATE: 12/1988
 ANALYST: Ryan Witz
 FISCAL REFERENCE NUMBER: 232

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$956,000	\$1,956,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$956,000	\$1,956,000

DESCRIPTION

Purpose:

This policy change estimates the Title XIX federal funding provided to the California Department of Veterans Affairs (CDVA) for distribution to County Veteran Services Officers (CVSO) for identifying veterans eligible for Veterans Affairs (VA) benefits.

Authority:

Interagency Agreement (IA)

Background:

The Department has an IA with CDVA which provides federal matching funds to CDVA. This process avoids costs for the Medi-Cal program by identifying available VA benefits and referring the veterans to utilize those benefits instead of Medi-Cal.

The contract amounts for FY 2011-12 and FY 2012-13 are estimated to be \$956,000 and \$1,956,000, respectively. The non-federal match is budgeted at CDVA.

Reason for Change from Prior Estimate:

Outreach efforts for FY 2011-12 were postponed to FY 2012-13.

Methodology:

CASH BASIS

	DHCS FFP	CDVA GF	IA #
FY 2011-12			
Administrative	\$218,000	\$218,000	11-88038
Workload Units	\$738,000	\$738,000	
Total	\$956,000	\$956,000	
FY 2012-13			
Administrative	\$218,000	\$218,000	Pending
Workload Units	\$738,000	\$738,000	
Outreach	\$1,000,000	\$1,000,000	
Total	\$1,956,000	\$1,956,000	

Funding:

Title XIX 100% FFP (4260-101-0890).

OUTREACH - CHILDREN

OTHER ADMIN. POLICY CHANGE NUMBER: 53
 IMPLEMENTATION DATE: 7/1997
 ANALYST: Ryan Witz
 FISCAL REFERENCE NUMBER: 242

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$1,626,000	\$1,220,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$1,626,000	\$1,220,000

DESCRIPTION

Purpose:

This policy change estimates the cost of an interagency agreement (IA) with Managed Risk Medical Insurance Board (MRMIB) to provide a toll-free line providing Medi-Cal and Healthy Families Program (HFP) information to the public.

Authority:

Welfare & Institutions Code, section 14067

Background:

The Department and MRMIB implemented an outreach and education campaign to help families learn about and apply for Medi-Cal and HFP. Activities included media, public relations, collateral, certified application assistance and a toll-free line.

The Budget Act of 2003 limited outreach funding to a toll-free line. MAXIMUS, a contract vendor for MRMIB, began carrying out the toll-free line activity starting in January 2004.

Reason for Changes from Prior Estimate:

There are no more outstanding claims for activities for which the Department previously carried the General Fund (GF).

Methodology:

1. The Department budgets the Title XIX federal financial participation (FFP) for the toll-free line.
2. Children enrolled in the HFP will be transitioned to the Medi-Cal Program beginning October 1, 2012. The Department will continue to fund the toll-free line, but the IA with MRMIB will be eliminated.
3. Since MRMIB operates on an accrual basis, it is assumed that claims for services rendered in prior years will be paid in FY 2012-13.

(In Thousands)	FFP	TF	IA#
FY 2011-12	\$1,626	\$1,626	10-87063
FY 2012-13	\$1,220	\$1,220	10-87063

Funding:

Title XIX 100% FFP (4260-101-0890)

CDPH I&E PROGRAM AND EVALUATION

OTHER ADMIN. POLICY CHANGE NUMBER: 54
 IMPLEMENTATION DATE: 7/2003
 ANALYST: Cang Ly
 FISCAL REFERENCE NUMBER: 261

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$1,791,000	\$1,799,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$1,791,000	\$1,799,000

DESCRIPTION

Purpose:

This policy change estimates the federal financial participation (FFP) provided to the California Department of Public Health (CDPH) for the Information and Education (I&E) Program to establish and implement clinical linkages to the Family Planning, Access, Care and Treatment (PACT) Program.

Authority:

Interagency Agreement

Background:

AB 1762 (Chapter 230, Statutes of 2003) authorized the Department to require contractors and grantees under the Office of Family Planning (OFP), and the I&E Program to establish and implement clinical linkages to the Family PACT program. This linkage includes planning and development of a referral process for program participants to ensure access to family planning and other reproductive health care services, including a technical assistance and training and evaluation component for grantees.

Beginning July 1, 2012, the I&E Program will be transferred to CDPH's Center for Family Health, Maternal, Child and Adolescent Health Division.

The Title XIX FFP for the contracts is provided to CDPH through interagency agreement # 07-65592. The Center for Family Health provides the General Fund match in Item 4265-111-0001 in the CDPH budget.

Reason for Change from Prior Estimate:

Updated actual FFP reimbursement amounts.

Methodology:

- The estimated costs are provided by CDPH on a cash basis.

	DHCS FFP	CDPH GF
FY 2009-10	\$36,000	\$36,000
FY 2010-11	\$732,000	\$732,000
FY 2011-12	\$1,023,000	\$1,023,000
Total FY 2011-12	\$1,791,000	\$1,791,000

CDPH I&E PROGRAM AND EVALUATION

OTHER ADMIN. POLICY CHANGE NUMBER: 54

	<u>DHCS FFP</u>	<u>CDPH GF</u>
FY 2010-11	\$132,000	\$132,000
FY 2011-12	\$640,000	\$640,000
FY 2012-13	\$1,027,000	\$1,027,000
Total FY 2012-13	\$1,799,000	\$1,799,000

Funding:

Title XIX 100% FFP (4260-101-0890)

FAMILY PACT EVALUATION

OTHER ADMIN. POLICY CHANGE NUMBER: 55
 IMPLEMENTATION DATE: 12/1999
 ANALYST: Cang Ly
 FISCAL REFERENCE NUMBER: 247

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$1,639,000	\$532,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$1,639,000	\$532,000

DESCRIPTION

Purpose:

This policy change estimates the federal financial participation (FFP) provided to the California Department of Public Health (CDPH) to provide data and evaluation of the Family Planning, Access, Care and Treatment (PACT) program.

Authority:

Interagency Agreement

Background:

The University of California, San Francisco (UCSF) is conducting an evaluation of the Family PACT program. UCSF will evaluate the program's effectiveness, including the analysis of: changes in birth rates; access by target populations; changes in the provider base for target geographical areas; provider compliance; claims analysis; and cost-effectiveness of services.

The Title XIX FFP is provided to CDPH through interagency agreement # 08-85180, effective July 1, 2010. The Office of Family Planning provides the General Fund match in Item 4265-111-0001 in the CDPH budget.

Reason for Change from Prior Estimate:

The changes are due to updated actual FFP reimbursement amounts and Family PACT program transferred to the Department effective July 1, 2012.

Methodology:

1. The estimated costs are provided by CDPH on a cash basis.
2. Legislation is being proposed to transfer the Family PACT program and funding to the Department, effective July 1, 2012. See the FY 2012-13 Family PACT Evaluation policy change for costs beginning July 1, 2012 and after.

	DHCS FFP	CDPH GF
FY 2009-10	\$108,000	\$108,000
FY 2010-11	\$589,000	\$589,000
FY 2011-12	\$942,000	\$942,000
Total FY 2011-12	\$1,639,000	\$1,639,000

FAMILY PACT EVALUATION
OTHER ADMIN. POLICY CHANGE NUMBER: 55

	<u>DHCS FFP</u>	<u>CDPH GF</u>
FY 2010-11	\$44,000	\$44,000
FY 2011-12	\$488,000	\$488,000
Total FY 2012-13	\$532,000	\$532,000

Funding:

Title XIX 100% FFP (4260-101-0890)

CDDS DENTAL SERVICES

OTHER ADMIN. POLICY CHANGE NUMBER: 56
 IMPLEMENTATION DATE: 11/2011
 ANALYST: Randolph Alarcio
 FISCAL REFERENCE NUMBER: 1631

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$609,000	\$1,270,000
STATE FUNDS	\$609,000	\$1,270,000
FEDERAL FUNDS	\$0	\$0

DESCRIPTION

Purpose:

This policy change estimates the cost related to processing California Department of Development Services (CDDS) dental claims.

Authority:

Interagency agreement

Background:

The Lanterman Act requires the CDDS to provide dental services to its clients. Because Medi-Cal no longer covers most dental services for adults 21 years of age and older, CDDS has entered into an interagency agreement with the Department to have the Medi-Cal dental Fiscal Intermediary process and pay claims for those dental services no longer covered by Medi-Cal. The additional costs of processing claims and benefits will be reimbursed by CDDS. Processing of CDDS claims started on January 12, 2012.

Reason for Change from Prior Estimate:

No material change.

Methodology:

1. Assume a one-time cost of \$500,000 in FY 2011-12 to update the California Dental Medicaid Management Information System (CD-MMIS) to process CDDS claims.
2. An update to the CD-MMIS began in November 2011.
3. The processing of claims began in January 2012 and payments to providers began in February 2012.
4. Assume the cost of processing claims is \$1,270,000 annually.
5. All costs are reimbursed by CDDS.

FY 2011-12: \$609,000

FY 2012-13: \$1,270,000

Funding:

Reimbursement General Fund (4260-610-0995)

KIT FOR NEW PARENTS

OTHER ADMIN. POLICY CHANGE NUMBER: 57
 IMPLEMENTATION DATE: 7/2001
 ANALYST: Ryan Witz
 FISCAL REFERENCE NUMBER: 249

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$1,029,000	\$1,017,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$1,029,000	\$1,017,000

DESCRIPTION

Purpose:

This policy change estimates the federal match provided to the California Children and Families Commission (CCFC) for providing "Welcome Kits" to parents of Medi-Cal eligible newborns.

Authority:

Interagency Agreement (IA)

Background:

In November 2001, CCFC and the Department entered into an IA to allow the Department to claim Title XIX federal financial participation (FFP) for the "Welcome Kits" distributed to parents of Medi-Cal eligible newborns by the CCFC (Proposition 10).

Reason for Change from Prior Estimate:

There is no change.

Methodology:

1. CCFC will distribute an estimated 370,000 kits in FY 2011-12 and FY 2012-13, of these 46% of the kits are expected to be distributed to Medi-Cal eligible newborns.

$$370,000 \text{ kits} \times 46\% = 170,200 \text{ Medi-Cal kits}$$

2. Approximately 51% of the kits distributed will be basic kits and 49% will be custom kits.

$$170,200 \text{ Medi-Cal kits} \times 51\% = 86,802 \text{ basic kits}$$

$$170,200 \text{ Medi-Cal kits} \times 49\% = 83,398 \text{ custom kits}$$

3. As of November 1, 2010, the basic kit costs \$11.89 and the customized kit, which contains an additional item specific to the county of birth, costs \$12.01.
4. Costs of \$525,000 for FY 2010-11 will be paid in FY 2011-12 and \$501,000 for FY 2011-12 will be paid in FY 2012-13.

Annual Cost (Accrual Basis)

86,802 basic kits x \$11.89	\$1,032,000
83,398 custom kits x \$12.01	\$1,002,000
Total FY 2010-11 Cost	\$2,034,000

KIT FOR NEW PARENTS

OTHER ADMIN. POLICY CHANGE NUMBER: 57

Cash Basis	FY 2011-12	FY 2012-13	IA #
FY 2010-11	\$525,000	\$0	03-76097
FY 2011-12	\$1,533,000	\$501,000	03-76097
FY 2012-13	\$0	\$1,533,000	03-76097
Total:	\$2,058,000	\$2,034,000	
	(\$1,029,000 FFP)	(\$1,017,000 FFP)	

Funding:

Title XIX 100% FFP (4260-101-0890)

FPACT SUPPORT, PROVIDER EDUC. & CLIENT OUTREACH

OTHER ADMIN. POLICY CHANGE NUMBER: 58
 IMPLEMENTATION DATE: 12/1999
 ANALYST: Cang Ly
 FISCAL REFERENCE NUMBER: 248

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$595,000	\$206,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$595,000	\$206,000

DESCRIPTION

Purpose:

This policy change estimates the federal financial participation (FFP) provided to the California Department of Public Health (CDPH) for provider recruitment, education, and support for the Family Planning, Access, Care and Treatment (PACT) Program.

Authority:

Interagency Agreement

Background:

The Family PACT Program has two main objectives. One is to increase access to services in targeted populations of adolescents, males, and medically underserved women. The other is to increase the number of providers who serve these clients. Education and support services are provided to the Family PACT providers and potential providers, as well as clients and potential clients. Services include, but are not limited to: public education, awareness, and direct client outreach; provider enrollment, recruitment and training; training and technical assistance for medical and non-medical staff; education and counseling services; preventive clinical services; sexually transmitted infection/HIV training and technical assistance services; and the toll-free referral number. The Office of Family Planning in the CDPH contracts with a variety of entities to provide these services.

Reason for Change from Prior Estimate:

Updated actual FFP reimbursement amounts and Family PACT program transferred to the Department effective July 1, 2012.

Methodology:

1. The estimated costs are provided by CDPH on a cash basis.
2. Legislation is being proposed to transfer the Family PACT program and funding to the Department, effective July 1, 2012. See the Family PACT Program Admin. policy change for costs beginning July 1, 2012 and after.

	DHCS FFP	CDPH GF
FY 2009-10	\$23,000	\$23,000
FY 2010-11	\$222,000	\$222,000
FY 2011-12	\$350,000	\$350,000
Total FY 2011-12	\$595,000	\$595,000

FPACT SUPPORT, PROVIDER EDUC. & CLIENT OUTREACH

OTHER ADMIN. POLICY CHANGE NUMBER: 58

	<u>DHCS FFP</u>	<u>CDPH GF</u>
FY 2010-11	\$60,000	\$60,000
FY 2011-12	\$146,000	\$146,000
Total FY 2012-13	\$206,000	\$206,000

Funding:

Title XIX 100% FFP (4260-101-0890)

CHHS AGENCY HIPAA FUNDING

OTHER ADMIN. POLICY CHANGE NUMBER: 59
 IMPLEMENTATION DATE: 7/2001
 ANALYST: Cang Ly
 FISCAL REFERENCE NUMBER: 257

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$651,000	\$651,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$651,000	\$651,000

DESCRIPTION

Purpose:

This policy change estimates federal financial participation (FFP) to be provided for the California Health and Human Services (CHHS) Agency for qualifying Health Insurance Portability and Accountability Act (HIPAA) activities related to Medi-Cal.

Authority:

Interagency Agreement

Background:

A HIPAA office has been established at the CHHS Agency to coordinate implementation and set policy requirements for departments utilizing Title XIX program.

Reason for Change from Prior Estimate:

There is no change.

Methodology:

1. The budget for the CHHS Agency HIPAA activities has been frozen for the last two years. The CHHS Agency prioritizes HIPAA projects so that the most critical projects are implemented first.

	DHCS FFP	CHHS GF
Cash Basis		
FY 2011-12	\$651,000	\$651,000
FY 2012-13	\$651,000	\$651,000

Funding:

HIPAA FFP (4260-117-0890)

MERIT SYSTEM SERVICES FOR COUNTIES

OTHER ADMIN. POLICY CHANGE NUMBER: 60
 IMPLEMENTATION DATE: 7/2003
 ANALYST: Ryan Witz
 FISCAL REFERENCE NUMBER: 263

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$209,000	\$184,000
STATE FUNDS	\$104,500	\$92,000
FEDERAL FUNDS	\$104,500	\$92,000

DESCRIPTION

Purpose:

This policy change estimates the cost for the interagency agreement (IA) with the State Personnel Board (SPB) for Merit System Services, a county level civil service system.

Authority:

IA # 03-75683

Background:

Federal regulations require that any government agency receiving federal funds have a civil service exam, classification, and pay process. Many counties do not have a civil service system, so the Merit System Services was established under the SPB to perform as a personnel board for the 30 counties that do not have one. In addition, the SPB reviews the merit systems in the remaining 28 counties to ensure that they meet federal civil service requirements.

The SPB is reimbursed by the Department via an IA for Merit System Services. The terms of the agreement are that it continues indefinitely, until terminated, or until there is a change in scope of work affecting the cost.

Reason for Change from Prior Estimate:

The change is due to updated FY 2011-12 expenditures.

Methodology:

	FY 2011-12	FY 2012-13
IA # 03-75683	\$209,000 (\$104,500 GF)	\$184,000 (\$92,000 GF)

Funding:

Title XIX 50/50 FFP (4260-101-0001/0890)

HEALTH-E APP

OTHER ADMIN. POLICY CHANGE NUMBER: 61
 IMPLEMENTATION DATE: 7/2009
 ANALYST: Ryan Witz
 FISCAL REFERENCE NUMBER: 1119

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$17,000	\$0
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$17,000	\$0

DESCRIPTION

Purpose:

This policy change estimates the federal match provided to Managed Risk Medical Insurance Board (MRMIB) for costs associated with system modifications for Health-E-App.

Authority:

Interagency Agreement (IA)

Background:

Health-E-App is an electronic, web-based alternative to the traditional paper Healthy Families application, which is also used to screen for Medi-Cal children's percent programs, and is intended to reduce application processing time so that children can obtain needed Healthy Families or Medi-Cal coverage as quickly as possible. MRMIB modified Health-E-App to enable the general public to apply for Healthy Families without the assistance of enrollment entities. The Health-E-App modifications involved development costs during FY 2007-08 which continue through FY 2011-12.

The Department pays for the federal Title XIX share of this cost via an IA with MRMIB. MRMIB budgets the federal Title XXI share of the cost. The California Health Care Foundation, Packard Foundation, Blue Shield of California Foundation, Kaiser Community Benefits Program and the California Endowment grant the matching funds.

Reason for Change from Prior Estimate:

There is no change.

Methodology:

1. MRMIB estimates the development cost for system changes and the federal funding for this cost.
2. Final payments for this project will be made in FY 2011-12. Only the Title XIX FFP is included in the Medi-Cal budget.
3. The cash based estimates below were provided by MRMIB.

	GRANTS	DHCS XIX FFP	MRMIB XXI FFP	TOTAL
FY 2011-12	\$58,000	\$17,000	\$76,000	\$151,000

Funding:

Title XIX 100% FFP (4260-101-0890)

PIA EYEWEAR COURIER SERVICE

OTHER ADMIN. POLICY CHANGE NUMBER: 62
 IMPLEMENTATION DATE: 7/2003
 ANALYST: Davonna McClendon
 FISCAL REFERENCE NUMBER: 1114

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$336,000	\$268,000
STATE FUNDS	\$168,000	\$134,000
FEDERAL FUNDS	\$168,000	\$134,000

DESCRIPTION

Purpose:

This policy change estimates the costs related to courier services for Prison Industry Authority (PIA) eyewear.

Authority:

Interagency Agreement (IA)

Background:

The California PIA fabricates eyeglasses for Medi-Cal beneficiaries. Since July 2003, the Department has had an IA with PIA to reimburse them for one-half of the courier costs for the pick up and delivery of orders between the dispensing to optical providers and the PIA optical laboratories. The two-way courier service ensures that beneficiaries have continued access to and no disruption of optical services.

Reason for Change from Prior Estimate:

Projections revised based on additional actual data.

Methodology:

1. The current contract with Sacramento Overnight, Incorporated began in September 2008 and expires in March 2012. PIA has put a new courier contract out for bid. The cost per package is \$1.75 plus a four percent fuel surcharge.
2. The estimated amount of packages shipped is expected to be 147,000 annually.

The annual cost is estimated to be: $\$1.75 \times 1.04 \times 147,000 = \$268,000$ TF

Cash Basis	FY 2011-12	FY 2012-13	IA #
FY 2010-11 Services	\$136,000	\$0	10-87012
FY 2011-12 Services	\$200,000	\$ 68,000	10-87012
FY 2012-13 Services	\$0	\$200,000	10-87012
	\$336,000	\$268,000	

Funding:

Title XIX 50/50 FFP (4260-101-0001/0890)

SHIFT OF HEALTHY FAMILIES CHILDREN TO MEDI-CAL

OTHER ADMIN. POLICY CHANGE NUMBER: 63
 IMPLEMENTATION DATE: 10/2012
 ANALYST: Taryn Gerald
 FISCAL REFERENCE NUMBER: 1650

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$0	\$27,888,000
STATE FUNDS	\$0	\$9,760,800
FEDERAL FUNDS	\$0	\$18,127,200

DESCRIPTION

Purpose:

This policy change budgets the administrative costs associated with the shift of Healthy Families Program (HFP) children with family incomes above 150% and up to and including 250% of the federal poverty level (FPL) to Medi-Cal.

Authority:

Proposed Legislation

Background:

The Administration is proposing legislation to shift all HFP eligibles into the Medi-Cal program. Beginning October 2012, a nine-month transition of eligibles will take place. Children over 150% of the FPL will continue to be required to pay a premium for coverage; however, this does not include AIM infants with incomes between 250-300% FPL. This policy change budgets the Medi-Cal administration costs for eligibles above 150% and up to 250% of FPL. These costs will fund county administration and the single point of entry vendor. Administrative savings are reflected in the Managed Risk Medical Insurance Board budget.

Reason for Change from Prior Estimate:

The HFP caseload and phase-in structure were updated.

Methodology:

1. As of October 1, 2012, 538,245 eligibles with incomes above 150% and up to and including 250% FPL will be transferred to Medi-Cal over a 9 month period. A State Plan amendment will be submitted to allow these eligibles to be determined presumptively eligible for Medi-Cal.
2. California Children Services (CCS)-HFP eligibles that will be shifted to CCS-Medi-Cal, is currently budgeted in the Family Health Estimate. It is assumed that the county share will continue under Medi-Cal; the funding is 65% FFP, 17.5% GF, and 17.5% County Funds. In FY 2012-13, the GF reimbursement from the counties for CCS-Medi-Cal is estimated to be \$2,057,000.

(In Thousands)	County Reimbursement			
FY 2012-13	TF	GF	FFP	
Other Admin	\$27,888	\$7,704	\$18,127	\$2,057

Funding:

SHIFT OF HEALTHY FAMILIES CHILDREN TO MEDI-CAL

OTHER ADMIN. POLICY CHANGE NUMBER: 63

Title XXI 65/35 FFP (4260-113-0001/0890)

Title XXI 100% FFP (4260-113-0890)

Reimbursement GF (4260-610-0995)

MEDI-CAL INPATIENT SERVICES FOR INMATES

OTHER ADMIN. POLICY CHANGE NUMBER: 65
 IMPLEMENTATION DATE: 3/2012
 ANALYST: Ryan Witz
 FISCAL REFERENCE NUMBER: 1665

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$626,000	\$560,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$626,000	\$560,000

DESCRIPTION

Purpose:

This policy change estimates the federal match provided to the California Department of Corrections and Rehabilitation (CDCR) for administrative costs related to the Inmate Eligibility Program.

Authority:

AB 1628 (Chapter 729, Statutes of 2010)
 Interagency Agreement

Background:

AB 1628 authorizes the Department and CDCR to claim federal reimbursement for inpatient hospital services for adult inmates in State correctional facilities when these services are provided off the grounds of the State correctional facility, and the inmates are determined eligible for either the Medi-Cal program or the Low Income Health Program (LIHP) run by counties. As part of these provisions, CDCR is claiming federal financial participation (FFP) for their administrative costs to operate the Inmate Eligibility Program.

Reason for Change from Prior Estimate:

This is a new policy change.

Methodology:

1. Implementation of the Inmate Eligibility Program began April 1, 2011.
2. Reimbursements for CDCR's administrative costs will begin March 2012.
3. FY 2011-12 includes \$132,000 in administration costs from April 1, 2011 through June 30, 2011.

	DHCS FFP	CDCR GF
FY 2011-12		
April 1, 2011 - June 30, 2011	\$66,000	\$66,000
Administrative Costs	\$560,000	\$560,000
Total	\$626,000	\$626,000
FY 2012-13		
Administrative Costs	\$560,000	\$560,000

Funding:

Title XIX 100% FFP (4260-101-0890)

COMMUNITY FIRST CHOICE OPTION-ADMIN

OTHER ADMIN. POLICY CHANGE NUMBER: 66
 IMPLEMENTATION DATE: 5/2012
 ANALYST: Julie Chan
 FISCAL REFERENCE NUMBER: 1668

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$318,000	\$1,907,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$318,000	\$1,907,000

DESCRIPTION

Purpose:

This policy change estimates the cost of 100% Title XIX federal financial participation provided to the California Department of Social Services (CDSS) for system changes related to the Community First Choice Option (CFCO) plan.

Authority:

Interagency Agreement

Background:

Section 2401 of the Affordable Care Act (ACA) establishes a new State Plan option to provide home and community-based attendant services and supports which may be offered through the federal (CFCO). A State Plan Amendment submitted on December 1, 2011, proposes to transition Personal Care Services and In-Home Supportive Services Plus Option program participants into CFCO. Once approved by the Centers for Medicare & Medicaid Services, the additional Title XIX funds will be available under CFCO.

These costs fund potential system changes related to CFCO.

Reason for Change from Prior Estimate:

This is a new policy change.

Methodology:

Not applicable

The estimates below were provided by CDSS.

CASH BASIS

	FFP	CDSS GF	County Match
FY 2011-12	\$ 318,000	\$ 207,000	\$ 111,000
FY 2012-13	\$1,907,000	\$1,240,000	\$667,000

Funding:

Title XIX FFP (4260-101-0890)

REFUNDS ON ACTS OF FRAUD - ADMIN

OTHER ADMIN. POLICY CHANGE NUMBER: 67
 IMPLEMENTATION DATE: 3/2012
 ANALYST: Raman Pabla
 FISCAL REFERENCE NUMBER: 1671

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$0	\$0
STATE FUNDS	-\$45,942,000	\$0
FEDERAL FUNDS	\$45,942,000	\$0

DESCRIPTION

Purpose:

The policy change estimates the administrative costs eligible for recoupment from the federal government for False Claims Act (FCA) relator costs.

Authority:

FCA § 1903 (d)(2)(A)

Background:

The Centers for Medicare and Medicaid Services established a policy to refund the federal share of Medicaid overpayments, damages, fines, penalties, and any other component of a legal judgment or settlement when a State recovers funds pursuant to legal action under its FCA. Under the FCA, settlements are shared among the state, federal government, and relator (i.e., whistleblower).

Many FCA cases arise from actions filed by a relator. Once these cases reach a settlement, relators are entitled to receive a certain portion of recovery. The relator's recovery fee is a deductible administrative cost the Department can claim and receive federal financial participation (FFP).

Reason for Change from Prior Estimate:

This is a new policy change.

Methodology:

1. This one-time recoupment is based on settlements from January 1, 2007 to current.

FY 2011-12:

Relator costs reimbursement	\$45,942,000
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Funding:

State Only General Fund (4260-101-0001)

FY 2012-13 FAMILY PACT EVALUATION

OTHER ADMIN. POLICY CHANGE NUMBER: 68
 IMPLEMENTATION DATE: 7/2012
 ANALYST: Cang Ly
 FISCAL REFERENCE NUMBER: 1674

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$0	\$1,718,000
STATE FUNDS	\$0	\$859,000
FEDERAL FUNDS	\$0	\$859,000

DESCRIPTION

Purpose:

This policy change estimates the Department's costs for data and evaluation of the Family Planning, Access, Care and Treatment (PACT) program beginning FY 2012-13.

Authority:

Proposed Legislation

Background:

The University of California, San Francisco (UCSF) is conducting an evaluation of the Family PACT program. UCSF will evaluate the program's effectiveness, including the analysis of: changes in birth rates; access by target populations; changes in the provider base for target geographical areas; provider compliance; claims analysis; and cost-effectiveness of services.

Prior to FY 2012-13, the Family PACT program was part of the California Department of Public Health (CDPH). Legislation is being proposed to transfer the Family PACT program and its associated funding to the Department beginning July 1, 2012.

Reason for Change from Prior Estimate:

Estimated costs were previously shown in the Family PACT Evaluation policy change which budgeted the federal financial participation (FFP) provided to CDPH. Revised estimates were due to updated data.

Methodology:

1. The estimated costs are provided by CDPH on a cash basis.
2. For costs prior to FY 2012-13, see the Family PACT Evaluation policy change.

	TF	GF	FFP
FY 2012-13	\$1,718,000	\$859,000	\$859,000

Funding:

Title XIX 50/50 FFP (4260-101-0001/0890)

FAMILY PACT PROGRAM ADMIN.

OTHER ADMIN. POLICY CHANGE NUMBER: 69
 IMPLEMENTATION DATE: 7/2012
 ANALYST: Cang Ly
 FISCAL REFERENCE NUMBER: 1675

	<u>FY 2011-12</u>	<u>FY 2012-13</u>
TOTAL FUNDS	\$0	\$724,000
STATE FUNDS	\$0	\$362,000
FEDERAL FUNDS	\$0	\$362,000

DESCRIPTION**Purpose:**

This policy change estimates the Department's cost for provider recruitment, education, and support for the Family Planning, Access, Care and Treatment (PACT) Program beginning FY 2012-13.

Authority:

Proposed Legislation

Background:

The Family PACT Program has two main objectives. One is to increase access to services in targeted populations of adolescents, males, and medically underserved women. The other is to increase the number of providers who serve these clients. Education and support services are provided to the Family PACT providers and potential providers, as well as clients and potential clients. Services include, but are not limited to: public education, awareness, and direct client outreach; provider enrollment, recruitment and training; training and technical assistance for medical and non-medical staff; education and counseling services; preventive clinical services; sexually transmitted infection/HIV training and technical assistance services; and the toll-free referral number.

Prior to FY 2012-13, the Office of Family Planning in the California Department of Public Health (CDPH) contracted with a variety of entities to provide these services. Legislation is being proposed to transfer the Family PACT program and funding to the Department beginning July 1, 2012.

Reason for Change from Prior Estimate:

Estimated costs were previously shown in the FFACT Support, Provider Educ. & Client Outreach policy change which budgets the federal financial participation (FFP) provided to CDPH. Revised estimates were due to updated data.

Methodology:

- For costs prior to FY 2012-13, see the FFACT Support, Provider Educ. & Client Outreach policy change.

	<u>TF</u>	<u>GF</u>	<u>FFP</u>
Total FY 2012-13	\$724,000	\$362,000	\$362,000

Funding:

Title XIX 50/50 FFP (4260-101-0001/0890)

CCI CDA ADMIN COST-HICAP

OTHER ADMIN. POLICY CHANGE NUMBER: 70
IMPLEMENTATION DATE: 7/2012
ANALYST: Julie Chan
FISCAL REFERENCE NUMBER: 1676

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$0	\$150,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$0	\$150,000

DESCRIPTION

Purpose:

This policy change estimates the costs of Title XIX federal financial participation (FFP) provided to the California Department of Aging (CDA) for administrative costs associated with the Health Insurance Counseling and Advocacy Program (HICAP).

Authority:

Interagency Agreement

Background:

HICAP is a free, one-on-one Medicare counseling service. Trained volunteer counselors answer beneficiary questions and help beneficiaries understand Medicare rights and benefits. As a part of the Department's Coordinated Care Initiative (CCI), HICAP volunteers will be trained and educated on the Dual Eligible Integration Demonstration to assist and provide guidance on the beneficiaries rights and benefits for Medicare and Medi-Cal. The HICAP training and educational forums for CCI involve costs during FY 2012-13.

Reason for Change from Prior Estimate:

This is a new policy change.

Methodology:

	FFP	CDA GF
FY 2012-13	\$150,000	\$150,000

Funding:

Title XIX FFP (4260-101-0890)

CCI - DUAL ELIGIBLE DEMONSTRATION PROJECT

OTHER ADMIN. POLICY CHANGE NUMBER: 71
 IMPLEMENTATION DATE: 4/2012
 ANALYST: Raman Pabla
 FISCAL REFERENCE NUMBER: 1677

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$405,000	\$4,400,000
STATE FUNDS	\$202,500	\$731,500
FEDERAL FUNDS	\$202,500	\$3,668,500

DESCRIPTION

Purpose:

This policy change estimates the administrative costs for the Coordinated Care Initiative (CCI).

Authority:

Proposed Legislation

Background:

CCI aims to improve service delivery for people with Medicare and Medi-Cal and Medi-Cal only beneficiaries who rely on long-term services and supports (LTSS) to maintain residence in their communities. LTSS includes both home and community-based services and institutional long-term care services. Services will be provided through the managed care delivery system for all Medi-Cal beneficiaries who rely on such services. The Department will be hiring contractors to do the following:

- project management,
- rate setting,
- Medicare and Medi-Cal data analysis, and
- quality assurance and monitoring by an External Quality Review Organization (EQRO).

Reason for Change from Prior Estimate:

This is a new policy change.

Methodology:

1. The CCI development, implementation and operation costs began April 2012 and will continue through FY 2015-16.
2. The Affordability Care Act (ACA) authorizes funding for the CCI and provides 100% federal financial participation (FFP) to carry out the deliverables between the Department and Centers for Medicare and Medicaid.

	TF	GF	FFP	ACA FFP
Project Management	\$330,000	\$0	\$330,000	\$0
Rate Setting	\$75,000	\$37,500	\$37,500	\$0
Total	\$405,000	\$37,500	\$367,500	\$0

CCI - DUAL ELIGIBLE DEMONSTRATION PROJECT

OTHER ADMIN. POLICY CHANGE NUMBER: 71

2012-13 Costs	TF	GF	FFP	ACA FFP
Project Management	\$1,900,000	\$606,500	\$606,500	\$687,000
Rate Setting	\$250,000	\$125,000	\$125,000	\$0
Data Analysis	\$250,000	\$0	\$0	\$250,000
EQRO monitoring	\$2,000,000	\$0	\$0	\$2,000,000
Total	\$4,400,000	\$731,500	\$731,500	\$2,937,000

Funding:

Title XIX FFP (4260-101-0890)

State General Fund (4260-101-0001)

MEDS INTEGRATION INTO CALHEERS

OTHER ADMIN. POLICY CHANGE NUMBER: 72
 IMPLEMENTATION DATE: 7/2012
 ANALYST: Randolph Alarcio
 FISCAL REFERENCE NUMBER: 1678

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$0	\$1,607,000
STATE FUNDS	\$0	\$160,700
FEDERAL FUNDS	\$0	\$1,446,300

DESCRIPTION

Purpose:

This policy change estimates the cost for a consultant and staff to integrate the Medi-Cal Eligibility Data System (MEDS) into the California Healthcare Eligibility, Enrollment and Retention System (CalHEERS).

Authority:

Affordable Care Act of 2010

Background:

CalHEERS will be programmed to provide Modified Adjusted Gross Income eligibility determinations for individuals seeking coverage through the Health Benefit Exchange, Medi-Cal and the Healthy Families program. In order to provide seamless integration with the new CalHEERS system, the Department will establish and design the implementation of technology solutions for ongoing maintenance of MEDS changes and integration with CalHEERS.

The Department will receive the enhanced federal funding for the requirements validation, design, development, testing, and implementation of MEDS related systems changes needed to interface with the CalHEERS.

Reason for Change from Prior Estimate:

This is a new policy change.

Methodology:

1. Assume the consultant and staff will be hired in June 2012.
2. Assume a one-time cost for design, development, and implementation of MEDS into CalHEERS.
3. The total estimated costs are \$2,410,000.
4. Payments are estimate to be made quarterly for six quarters beginning in July 2012.

FY 2012-13: \$1,607,000 TF (\$161,000 GF)

Funding:

Title XIX 10/90 FFP (4260-101-0001/0890)

CALHEERS DEVELOPMENT

OTHER ADMIN. POLICY CHANGE NUMBER: 73
 IMPLEMENTATION DATE: 6/2012
 ANALYST: Randolph Alarcio
 FISCAL REFERENCE NUMBER: 1679

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$800,000	\$10,468,000
STATE FUNDS	\$80,000	\$1,046,800
FEDERAL FUNDS	\$720,000	\$9,421,200

DESCRIPTION

Purpose:

This policy change estimates the cost for developing the California Healthcare Eligibility, Enrollment and Retention System (CalHEERS).

Authority:

Affordable Care Act (ACA) of 2010

Background:

The ACA mandates the establishment of health insurance exchanges, in California, known as the Health Benefit Exchange (HBEX) to provide competitive health care coverage for individuals and small employers. As required by ACA, States will use the HBEX to determine an applicant's eligibility for subsidized coverage. In creating this "one-stop-shop" experience, States are required to use a single, streamlined application for the applicants to apply for all applicable health subsidy programs. The application may be filed online, in person, by mail, by telephone with the HBEX, or with the Medicaid and Children's Health Insurance Program agency. To meet this requirement, the Department, the Managed Risk Medical Insurance Board, and the HBEX have formed a partnership to acquire a Systems Integrator to design and implement the CalHEERS as the business solution that will allow the required one-stop-shopping, making health insurance eligibility and purchasing easier and more understandable.

ACA offers additional enhanced federal funding for developing/upgrading Medicaid eligibility systems and for interactions of such systems with the ACA-required HBEXs. Medi-Cal's associated cost for the development and implementation of CalHEERS is 17%.

Reason for Change from Prior Estimate:

This is a new policy change.

Methodology:

1. Assume the vendor will be hired in May 2012 with payments to begin in June 2012.
2. Assume a one-time cost of \$13,908,000 for design, development, and implementation of CalHEERS to be paid by FY 2013-14.

FY 2011-12: \$800,000 TF (\$80,000 GF)

FY 2012-13: \$10,468,000 TF (\$1,047,000 GF)

CALHEERS DEVELOPMENT
OTHER ADMIN. POLICY CHANGE NUMBER: 73

Funding:

Title XIX 10/90 FFP (4260-101-0001/0890)

QUITLINE ADMINISTRATIVE SERVICES

OTHER ADMIN. POLICY CHANGE NUMBER: 74
 IMPLEMENTATION DATE: 7/2012
 ANALYST: Raman Pabla
 FISCAL REFERENCE NUMBER: 1680

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$0	\$1,000,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$0	\$1,000,000

DESCRIPTION

Purpose:

This policy change estimates the Title XIX federal financial participation (FFP) to be provided to the California Department of Public Health (CDPH) for administrative costs related to Quitline services.

Authority:

Interagency Agreement

Background:

Quitline is the California Smokers' Helpline, operated by the University of California, San Diego. Quitline provides a free telephone-based counseling program to provide advice, educate, and support callers who currently smoke or have recently quit smoking.

Currently, Quitline receives its funding through CDPH and other sources. The Centers for Medicare & Medicaid Services is allowing the State to receive a 50% match of funds for administrative costs associated with Quitline providing services to Medicaid individuals. Beginning FY 2012-13, the Department will claim FFP for Quitline. The FFP will be reimbursed to CDPH through an IA.

Reason for Change from Prior Estimate:

This is a new policy change.

Methodology:

1. The effective date is July 1, 2012.
2. The estimated cost for FY 2012-13 is \$1,000,000.

Funding:

Title XIX 100% FFP (4260-101-0890)

DEPARTMENT OF STATE HOSPITALS ADMIN. COSTS

OTHER ADMIN. POLICY CHANGE NUMBER: 76
 IMPLEMENTATION DATE: 7/2012
 ANALYST: Betty Lai
 FISCAL REFERENCE NUMBER: 1699

	FY 2011-12	FY 2012-13
TOTAL FUNDS	\$0	\$1,147,000
STATE FUNDS	\$0	\$0
FEDERAL FUNDS	\$0	\$1,147,000

DESCRIPTION

Purpose:

This policy change estimates the Title XIX federal financial participation (FFP) for the California Department of State Hospitals (CDSH) administrative costs related to State Hospital Administration.

Authority:

Interagency Agreement

Background:

The CDSH coordinates with the Department to obtain FFP for the administrative costs for compliance with the Health Insurance and Portability and Accountability Act (HIPAA) regarding federal privacy and security requirements for the State Hospitals and Psychiatric Facilities. CDSH budgets the matching General Fund (GF).

The estimates below were provided by CDSH.

Reason for Change from Prior Estimate:

This is a new policy change.

CASH BASIS

		FY 2012-13		
HIPAA – State Hospitals		\$1,147,000		
	DHCS FFP	CDSH GF	IA #	
FY 2012-13	\$1,147,000	\$1,147,000	02-25271	

Funding:

Title XIX 100% FFP (4260-117-0890)